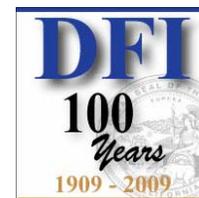




Monthly Bulletin



Volume 13, Number 6

December 2009

Message from the Commissioner

January 2010

Hello Everyone,

A year ago at this time we were facing an extraordinary set of economic and financial conditions and absorbing the impact of a series of unprecedented actions by government. Thankfully, economic conditions now appear to be improving modestly, not just in the United States, but in many other countries around the world. Although the worst of the crisis appears to be behind us, it is not yet time to sound an “all clear” signal. Employment in California is a million jobs below the peak in mid-2007. Depressed commercial and residential property values, state budget problems and unsettled financial conditions are likely to be with us for awhile longer.

Yet we are beginning to see signs of progress too as state chartered institutions have moved to shore up their balance sheets and, in various ways, to deal with their issues. California chartered banks, in particular, have raised almost \$1.5 billion of new private capital since the crisis began; additional capital raises are in progress; and we continue to see interest in new charter applications. Although the number of institutions supervised by DFI is likely to decrease some over the next year or two as a result of both voluntary and involuntary mergers, my sense is that total assets of California chartered banks and credit unions will be as high, if not higher, a year from now than today.

With that in mind, it is worth reflecting on the 100 year-long history of our system of California chartered financial institutions. Our Department and California’s state chartered financial institutions have been through difficult periods before. The resiliency of our system is evident. The California economy will bounce back. Our political leaders will find a way through the fiscal crisis. And state chartered financial institutions will continue to serve households, businesses and communities across the state in the decades to come.

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Consumer Compliance

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(916) 322-5966
(619) 682-7227
(800) 622-0620

On behalf of all of us at the Department of Financial Institutions, I wish you good health and happiness in 2010. Be sure to find time to count your blessings and to embrace and be thankful for your family, friends, and colleagues.

Thank you for your support.

Sincerely,

William S. Haraf
Commissioner
Department of Financial Institutions
45 Fremont Street, Suite 1700
San Francisco, CA 94105-2219
415.263.8507
wharaf@dfi.ca.gov

FFIEC Issues Interest Rate Risk Advisory

The Department of Financial Institutions directs your attention to the [Advisory on Interest Rate Risk Management](#) that was issued by the FFIEC. A press release on the advisory can be viewed [here](#).

Licenses to Provide Revised Contact Information

In an effort for greater efficiency in communicating with licensees and to be prepared for emergencies, the DFI is reviewing licensees' contact information on record and revising our methods for providing notifications. The goal of this process is to ensure that every licensee has a standard, reliable email address that is monitored daily. The DFI will rely on this email address to disseminate information, such as messages and orders from the Commissioner of Financial Institutions and consumer complaint information, as well as other pertinent information.

Licenses will receive an email and/or letter by February that will provide detailed options from which licensees can choose the method by which they would like to receive communication from the DFI.

If you have questions, please contact Kristine De Young at 916-324-7488 or by email at kdyoung@dfi.ca.gov.

Highlights of 2009 State Chaptered Legislation

Attached is [Highlights of 2009 State Chaptered Legislation](#). This summary is a compendium of most but not all of the legislation that may have an impact on financial institutions. There is a brief description of each measure with a link to the chaptered version of that legislation.

We hope you find the "2009 Highlights of State Chaptered Legislation" to be a productive tool. We encourage any suggestions you may have to improve its usefulness to you and your organization.

Retirement of Deputy Commissioner Douglas Kirkpatrick

Douglas Kirkpatrick retired on December 30, 2009 as Deputy Commissioner for the Department of Financial Institutions, San Diego/Orange County Region after a career that spanned more than 35 years and two departments.

Mr. Kirkpatrick began his career with the California Department of Corporations on January 14, 1974 as an Auditor I. 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 was promoted to Deputy Commissioner of the San Diego/Orange County Region in 2007. Mr. Kirkpatrick executed his duties well and will be missed by those at DFI and in the industry. Ms. Catherine Nahnsen-Robison will serve as Acting Deputy Commissioner on an interim basis in her capacity as Assistant Chief Examiner.

Census 2010 - It's in Your Hands

The Census Bureau recently announced the launch of the 2010 Census Portrait of America Road Tour. The Road Tour is part of the largest civic outreach and awareness campaign in U.S. history — stopping and exhibiting at more than 800 events nationwide. From local parades and festivals to major sporting events like the Super Bowl and NCAA Final Four, the Road Tour will attempt to motivate America's growing and increasingly diverse population to complete and mail back the 10-question census form when it arrives in mailboxes March 15-17, 2010. Attendees will have the opportunity to learn about the 2010 Census and understand the benefits a complete count can bring to communities everywhere; view a sample 2010 Census form and learn how the collected information is used; and contribute stories and photos to the Portrait of America project to explain why "I count!" and view messages from other Road Tour participants.

The Census Bureau Seattle region's Road Tour bus, the Abacus, will be in Sacramento at the State Capitol West Steps on January 25 from 12 pm - 2 pm. Organizations will be invited to have an information booth at the event to promote their services and to promote their commitment as census partners. To inquire about exhibitor booths, please contact Margie Walker at (916) 322-1553.

The California Census announced a new Website, www.californiacompletecount.org. Organizations are invited to join as a member/partner to access tools and resources for Census 2010 outreach. The site provides downloads for PSAs, brochures, logos, posters, and other resources.

Save the Date! March 20, 2010 is "Be Californian. Be Counted Day." Census 2010 partners will join together to highlight the importance of an accurate Census count in California. For more information about participating in this special event, call (916) 327-1000 or email info@census.ca.gov.

DFI is a Census 2010 official partner. DFI continues to post Census 2010 to our Website with updates including important dates, events and resources to help financial institutions participate in this important event. See <http://www.dfi.ca.gov/census/census2010.asp>.

Transmitter of Money Abroad Voluntarily Suspends Operations; Opens Sundays Only

Banmetropolitano Corporation (Banmet) has voluntarily suspended operations and will be open only on Sundays for the eight month period beginning December 15, 2009 through August 15, 2010. The suspension of operations was authorized by the Department Financial Institutions on December 14, 2009. Consumers may contact Mr. Luis Mendez, Director, Banmetropolitano Corporation at 937 S. Alvarado Street Suite 1E, Los Angeles, CA 90006 or by phone (213)427-7622. Consumers who wish to file a claim should call the DFI Consumer Information Desk's toll free number, 1-800-622-0620 or email consumer@dfi.ca.gov. Consumer complaint forms in English and Spanish are available at <http://www.dfi.ca.gov/forms/consumer/consumer.asp>.

Liquidation of Imperial Capital Bank

On December 18, 2009, the Commissioner of Financial Institutions took possession of Imperial Capital Bank and ordered that it be liquidated.

Commercial Bank Activity

New Bank

First Republic Bank
111 Pine Street, City and County of San Francisco
Correspondent: David F. Freeman, Jr.
Arnold & Porter LLP
555 Twelfth Street, NW
Washington, DC 20004
(202) 942-5745
Filed: 12/22/09

Acquisition of Control

Sequoia Acquisition, Inc. to acquire control of First Republic Bank division of Bank of America, National Association, Charlotte, North Carolina
Filed: 12/22/09

Purchase of Partial Business Unit

Bank of the West, San Francisco, California, to acquire the Monterey and Santa Cruz Branches of Wachovia Bank, N.A., Charlotte, North Carolina, and Wachovia Bank of Delaware, N.A., Wilmington, Delaware

Filed: 10/26/09

Trust Company Activity**Acquisition of Control**

The TCW Group, Inc. to acquire control of Trust Company of the West

Filed: 12/18/09

Approved: 12/22/09

Premium Finance Company Activity**Acquisition of Control**

LOTS Intermediate Co., to acquire control of South Bay Acceptance Corporation

Approved: 12/29/09

Voluntary Surrender of License

Old Saybrook Premium Finance, Inc.

Notified: 12/3/09

Effected: 12/7/09

Credit Union Activity**Bylaw Amendment**

One credit union received approval for one bylaw amendment during November 2009.

Variance

Two credit unions received approval for request for variance to sections of the California Code of Regulations during November 2009.

Merger

El Futuro Credit Union, Porterville, California, to merge with and into Self-help Federal Credit Union, Durham, North Carolina

Filed: 11/16/09

Approved: 12/3/09

Merger (Continued)

Printing & Publishing Employees Credit Union, Riverside, to merge with and into Printing Industries Credit Union, Los Angeles
Effected: 11/30/09

Vernon/Commerce Credit Union, Commerce, to merge with and into Pasadena Service Federal Credit Union, Pasadena
Effected: 11/30/09

WILLIAM S. HARAF
Commissioner of Financial Institutions

Bulletin for Month ended
December 2009, issued pursuant
to Financial Code section 258



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