



Monthly Bulletin



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AB 1160 Form Update

[AB 1160](#), signed into law by Governor Schwarzenegger on October 11, 2009 requires banks and credit unions to summarize the terms of a mortgage loan in Spanish, Chinese, Tagalog, Vietnamese, or Korean if the terms of the loan were negotiated in one of those languages, either orally or in writing. The law directs the Department of Corporations (DOC) and the Department of Financial Institutions (DFI) to create a form in each of those languages, using the U.S. Department of Housing and Urban Development's Good Faith Estimate disclosure form for guidance.

The law took effect on July 1, 2010, or 90 days following the issuance of a form by both DOC and DFI, whichever occurs later. Recently, DOC and DFI issued a form. Banks and credit unions can download the Good Faith Estimate disclosure form [here](#) and may begin using the form immediately, but not later than October 1, 2010.

2010-11 Assessment

Commercial Banks, Foreign Banks and Trust Companies

Assessment invoices were mailed to commercial banks, foreign banks and trust companies on June 30, 2010.

For the purposes of this assessment, the base rate was set at \$1.33, an eight cent decrease from last year's rate of \$1.41. Invoices were mailed to each licensee on June 30, 2010 and become delinquent if not paid by July 20, 2010. The statutory maximum rate is \$2.20 per thousand dollars of total assets.

Industrial Banks

The assessment rate for industrial banks this year was set at \$0.99 per thousand dollars of total assets, the same as last year's rate. The statutory maximum rate is \$2.20 per thousand dollars of total assets. Invoices were mailed to each licensee on June 30, 2010 and become delinquent if not paid by July 20, 2010. Insurance premium finance companies will be assessed on November 30, 2010.

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300 South Spring Street, Suite 15513, Los Angeles, CA 90013-1204
1810—13th Street, Sacramento, CA 95811
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Consumer Compliance

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

Credit Unions

The 2010-11 assessment rate was set at \$0.75 per thousand dollars of total assets, a six cent increase from last year's rate of \$0.69. Invoices were mailed to each licensee on June 30, 2010 and become delinquent if not paid by July 20, 2010. The statutory maximum rate is \$2.20 per thousand dollars of total assets.

Issuers of Travelers Checks and Payment Instruments

The 2010-11 assessment rate was set at \$0.64 per thousand dollars of total assets, unchanged from the 2008-09 rate. Invoices were mailed to each licensee on June 30, 2010 and become delinquent if not paid by July 20, 2010.

Transmitters of Money Abroad

The 2010-11 assessment rate was set at \$0.10 per every thousand dollars in transmission money received by a licensee in calendar year 2009, a two cent increase from last year's rate of \$0.08. Invoices were mailed to each licensee on June 30, 2010 and become delinquent if not paid by July 20, 2010. This is the second time that an assessment of money transmitters has been made.

Executive Officer and Director Compensation Survey

Instructions for completing the 33rd Annual *Executive Officer and Director Compensation Survey* as of June 30, 2010 are in the process of being mailed and/or e-mailed to the CEOs of all state-chartered banks, industrial banks and national banks headquartered in California.

This year, for the first time, survey respondents will complete the form by logging into a secure web site. With this change, we hope to make the form easier for participants to complete and to reduce the processing time needed to produce the results.

Recipients are asked to respond by Friday, August 20, 2010 so the results can be compiled into a summary report that will be e-mailed to participating banks later this year. If you do not receive a letter and/or an email with your password and logon ID by Monday, July 19, 2010, please contact Patrick Carroll at (415) 263-8559 or by e-mail at pcarroll@dfi.ca.gov.

The survey results for the 32rd Annual *Executive Officer and Director Compensation Survey* as of June 30, 2009 are now available at www.dfi.ca.gov/publications/execsum/default.asp.

DFI Announces New Consumer Records Management System and Complaint Processes

The Department of Financial Institution (DFI) announced updates to its Consumer Services program effective July 1, 2010. These changes include:

- A new complaint tracking system;
- Improved processes with shortened response timeframes; and
- Electronic communications with Licensees and Consumers.

The DFI Consumer Service Office facilitates communication between consumers and the institutions that DFI regulates to assist in the dispute resolution process. With the addition of the new system for managing the complaint process, the DFI will implement electronic communications for correspondence to and from licensees regarding consumer complaints.

In a January 14, 2010 letter to licensees, <http://www.dfi.ca.gov/notices/2010/070110b.asp>, Commissioner Haraf announced the DFI's new practice of routinely communicating information electronically to licensees. Licensees were asked to establish a dedicated email account reserved for communications with the Department.

Additional features scheduled for August 1, 2010 implementation

- Consumer access to filing complaints online via the web portal.
- Email transmissions of consumer complaint information between the DFI and licensees enable easier record keeping and faster responses to complaints.
- Updated instructions for licensee responses to consumer complaints

Next Step for Licensees

If not already provided, all licensees must immediately provide a designated email account to DFI as directed in Commissioner Haraf's January 14, 2010 communication, as noted above. All licensees must implement daily monitoring of this dedicated email account for DFI communications, including consumer complaint referrals.

Questions:

Consumer Services: Website: <http://www.dfi.ca.gov/consumers/>
 Email: consumer@dfi.ca.gov
 Phone: 1-800-622-0620 (toll free - Inside CA)
 916-322-0622 (Outside CA)

Dedicated email account: Email: FYI@dfi.ca.gov
 Phone: 916-324-7488
 Kristine De Young

Thank you for your continued partnership. We look forward to working with you on enhancing our Consumer Services Program through electronic communications.

Debie Abella Appointed Deputy Commissioner of Banking Division - Northern California Region

Debie Abella was promoted to Deputy Commissioner, Banking Division - Northern California Region effective July 1, 2010.

Ms. Abella joined the California State Banking Department (now the Department of Financial Institutions) in 1983 as a Bank Examiner in the San Francisco Regional Office and has been an inspiration ever since. She was promoted to the position of Senior Examiner in 1992. She acted as, and was subsequently promoted to Financial Institutions Manager in 1999.

Ms. Abella received her Bachelor of Science degree from San Francisco State University in Business Administration; is a graduate of the Pacific Coast Banking School (2007); and is a CSBS Certified Examinations Manager.

First Republic Bank Buyback from Bank of America, N.A. Completed

First Republic Bank, San Francisco, a newly-licensed California state-chartered bank, completed its management-led buyback from Bank of America, N.A., Charlotte, on June 30, 2010 and opened for business on July 1, 2010. First Republic Bank began business with 62 offices and total banking assets of approximately \$20 billion, \$18 billion of deposits, \$15 billion of wealth management assets, and \$4 billion of loans serviced for third parties. The purchase was completed with \$1.86 billion in new equity capital from an investor group.

First Republic Bank was founded in 1985. After stints as a California-chartered thrift and loan association, a Nevada-chartered thrift and loan association and a Nevada-chartered state bank, it merged into the federal savings bank unit of Merrill Lynch in 2007. The following year, Bank of America acquired Merrill Lynch.

Conservatorship of Arrowhead Central Credit Union

On Friday, June 25, 2010, Arrowhead Central Credit Union was placed into conservatorship by the National Credit Union Administration. Arrowhead Central Credit Union remains open, operating and serving its members.

Commercial Bank Activity

Acquisition of Control

Patriot Financial Partners, L.P. and Patriot Financial Partners Parallel, L.P., to acquire control of Heritage Oaks Bank
Approved: 6/3/10

Patriot Financial Partners, L.P. and Patriot Financial Partners Parallel, L.P., to acquire control of Central Valley Community Bank
Approved: 6/24/10

Application for Trust Powers

East West Bank
135 N. Los Robles Avenue, Pasadena, Los Angeles County
Filed: 6/7/10
Approved: 6/9/10

Change of Name

American Principle Bank, to change its name to American Perspective Bank
Effected: 6/4/10

Santa Ana Business Bank, to change its name to Grandpoint Bank
Notified: 6/8/10

Premium Finance Company Activity

New Premium Finance Company

Advanced Consulting Enterprises, Inc.
20341 Haynes Street, Winnetka, Los Angeles County (Address changed from 6030 Pat Avenue, Woodland Hills, Los Angeles County)
Opened: 6/21/10

GBC Premium Finance, Inc.
110 E. 9th Street, City and County of Los Angeles
Approved: 6/22/10

Meadowlands Premium Finance Company, Inc.
Approved: 6/2/10

Acquisition of Control

Bette Pollman, to acquire control of Sucqua Insurance Premium Finance Inc.
Filed: 6/14/10
Approved: 6/22/10

Credit Union Activity

Field of Membership

One credit union received approval to add one new field of membership during May 2010.

Bylaw Amendment

Two credit unions received approval for two bylaw amendments during May 2010.

Foreign (Other Nation) Bank Activity

New Office

Standard Chartered Bank
790 East Colorado Boulevard, Pasadena, Los Angeles County (Representative Office)
Filed: 6/28/10

Discontinuance

Banco Agricola S.A.

- 1133 South Vermont Avenue, City and County of Los Angeles (Nondepository Agency)
- 2625 East Florence Avenue, Huntington Park, Los Angeles County (Nondepository Agency)
- 2500 Mission Street, City and County of San Francisco (Nondepository Agency)

Discontinued: 5/30/10

Voluntary Surrender of License

Hongkong and Shanghai Banking Corporation Limited
39410 Fremont Boulevard, Fremont, Alameda County (Representative Office)
Effected: 6/28/10

Intesa Sanpaolo S.p.A
444 S. Flower Street, Los Angeles, Los Angeles County (Representative Office)
Notified: 6/7/10
Effected: 5/31/10

Foreign (Other State) Bank Activity

New Facility

Nevada Commerce Bank
City of Folsom, County of Sacramento
Opened: October 24, 2008

Discontinuance of Facility

Nevada Commerce Bank (Facility – Insured Bank)
City of Folsom, County of Sacramento
Notified: 1/11/10
Discontinued: 12/31/09

Transmitter of Money Abroad Activity

New Transmitter

Golden Money Transfer, Inc.
Opened: 6/23/10

Acquisition of Control

M. Lhuillier Financial Services, Inc., to acquire control of Antequera, Inc.
Approved: 6/25/10

Voluntary Surrender of License

Dollar America Exchange, Inc.
Effected: 6/30/10

Payment Instrument Activity

New Payment Instrument

American Express Prepaid Card Management Corporation
Filed: 5/26/10

American Express Travel Related Services Company, Inc.
Filed: 5/27/10

WILLIAM S. HARAF
Commissioner of Financial Institutions

Bulletin for Month ended
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to Financial Code section 258



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