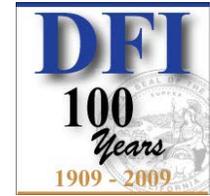




Monthly Bulletin



Volume 15, Issue 6

December 2011

Commissioner's Residential Mortgage Survey

It is important the DFI maintain complete, accurate, and up-to-date information on the real estate loan portfolios of licensees to determine current risk and assess the potential effect of any proposed regulatory or statutory changes at the federal and/or state level on our licensees. The Commissioner of Financial Institutions directs licensees to complete and submit the 2012 Commissioner's Residential Mortgage Survey as a special report, pursuant to California Financial Code section 455.

The annual Commissioner's Mortgage Survey collects data on residential mortgage loans secured by 1-4 unit Family Residential Property and has been requested of bank and credit union licensees every fall for the past three years. The current Survey schedule differs from previous surveys by requesting year-end data for 2011. **Bank and credit union licensees will receive a DFI email notification on January 10, 2012 with information on how to access the Survey. Completed surveys are due February 10, 2012.**

Note: Survey notifications are emailed to each institution's designated email address for communications with the DFI in accordance with the [July 2010 Commissioner Order on Electronic Communications](#).

Please direct questions about the survey to survey@dfi.ca.gov.

DFI Information Technology Survey Results

Social Media, Part 1

The Department of Financial Institutions (DFI) would like to thank each financial institution for completing the recent Information Technology Survey (Survey). From time to time, we will be providing some information based on the Survey results. For this month, we would like to discuss social media in general, as a way of communicating with financial institution customers. The Survey had three questions related to this topic: (1) Do you have a social media plan – 96 financial institutions or 28 percent responded Yes and 245 financial institutions or 72 percent responded No; (2) Do you have a social media policy – 140 institutions or 41 percent responded Yes and 202 institutions or 59 percent responded No and (3) Does someone look at public websites, e.g. Yelp, Twitter, Google search, etc., for reviews and postings on your financial institution – 133 institutions or 39 percent responded Yes, 85 institutions or 25 percent responded No and 124 institutions or 36 percent responded Not Applicable. This month's issue will discuss what social media involves, and in subsequent issues of the *Monthly*

Bulletin, we will cover the three questions in further detail.

Social media is a method used by many people around the world to communicate either in private or public forums. According to Wikipedia, the term social media refers to the use of web-based and mobile technologies to turn communication into an interactive dialogue. Depending on how your financial institution will be using social media, there are many items to consider in order to be compliant with federal regulations. For example, Facebook is the most prevalent form of social media used today by financial institutions to contact and/or advertise their products to customers and potential clientele. This form of social media requires the consideration of many federal compliance regulations particularly those involving advertisement of FI financial institution products.

Presently, there is no formal guidance by the Federal Financial Institutions Examination Council (FFIEC); however, the FFIEC has a task force working on developing and implementing social media guidance in 2012. At this time, the only published information for social media guidance can be found at the Financial Industry Regulatory Association (FINRA) website www.finra.org. FINRA is an independent regulator for all security firms doing business in the United States and has issued two documents that provide some good, basic information to consider when establishing social media activities at your financial institution. These documents are referenced as Regulatory Notices: (1) [10-06 Social Media Websites](#) (PDF), and (2) [11-39 Social Media Websites and use of Personal Devices for Business Communications](#) (PDF).

If you are not sure of how to approach use of social media in your financial institution, please contact your DFI representative or your primary federal regulator.

Financial Code Changes

On January 1, 2012, SB 664 (Committee on Banking and Financial Institutions, Chapter 243, Statutes of 2011) became operative. While some substantive changes were included in this legislation due to the passage of the Dodd-Frank federal legislation and some technical corrections that resulted from earlier amendments to the Code, the majority of the work involved in SB 664 was to bring a better sense of order to the section numbering in the Code. In addition to section numbers, some division, chapter and article designations were added to assist in the organization of the Code. It is hoped that readers will find that these changes result in a more user-friendly Code.

While these changes affect all DFI licensees, bank, trust and money transmitter licensees will find significant changes in Code section numbers. However, credit union licensees will find changes in only a few sections where other Code sections are incorporated by reference. Licensees may access the chaptered legislation [here](#). To assist licensees in identifying changes in the Code section numbers, a section by section conversion chart is accessible [here](#).

All licensees should update any Code references in internal policies and procedures by their next policy review date. Money transmission licensees should update all receipts, notices, disclosures and posting, as necessary, by July 1, 2012.

Commercial Bank Activity

Merger

Nara Bank, Los Angeles, to merge with and into Center Bank, Los Angeles, and for the surviving bank to change its name to BBCN Bank

Effected: 12/1/11

Acquisition of Control

Carpenter Community BancFund, LP, Carpenter Community BancFund-A, LP, Carpenter Fund Manager GL, LLC, Carpenter Fund Management Company, LLC, CCFW, Inc., SCJ, Inc., to acquire control of Pacific Mercantile Bank

Filed: 12/20/11

Private Bancorp of America, Inc., to acquire control of San Diego Private Bank

Filed: 12/12/11

Taylor International Fund, Ltd., Taylor Asset Management, Inc. and Stephen S. Taylor, Jr., to acquire control of Pan Pacific Bank

Approved: 6/16/11

Purchase of Partial Business Unit

California Republic Bank, Newport Beach, to acquire the Westlake Village branch of National Bank of California, N.A., Westlake Village

Approved: 12/8/11

Security Bank of California, Riverside, to acquire the Orange branch of Universal Bank, West Covina

Approved: 12/1/11

Change of Name

Promérica Bank, to change its name to ProAmérica Bank

Effected: 12/1/11

Credit Union Activity

Field of Membership

Two credit unions received approval to add two new fields of membership during November 2011.

Bylaw Amendment

Four credit unions received approval for four bylaw amendments during November 2011.

Merger

Guadalupe Federal Credit Union, Mountain View, to merge with and into National 1st Credit Union,

Santa Clara
Effected: 12/20/11

Premium Finance Company Activity

Voluntary Surrender of License

Red Rock Premium Finance Co., Inc.
8530 La Mesa Boulevard, La Mesa, San Diego County
Effected: 3/14/11

Trust Company Activity

New Trust Company

Bethpage Trust Company of California
445 So. Figueroa Street, Los Angeles, Los Angeles County
Filed: 11/9/11

Merger

Bank of Tokyo-Mitsubishi UFJ Trust Company, New York, to merge with and into Bethpage Trust Company of California, Los Angeles (Proposed)
Filed: 11/9/11

Bethpage Trust Company of California (Proposed), Los Angeles, to merge with and into UB Leasing Corporation
Filed: 11/9/11

Sale of Partial Business Unit

Bethpage Trust Company of California (Proposed), Los Angeles, to sell partial business unit to Union Bank, N.A., San Francisco
Filed: 11/9/11

Foreign (Other Nation) Bank Activity

New Office

Bank of Tokyo-Mitsubishi UFJ, Ltd., The
400 California Street, City and County of San Francisco (Downgrade from wholesale branch to representative office)
Filed: 12/20/11

Voluntary Surrender of License

Macquarie Bank Limited
10100 Santa Monica Boulevard, Los Angeles, Los Angeles County
Notified: 11/10/11
Effected: 12/10/11

Foreign (Other State) Bank Activity**New Facility**

Bank of England/ENG Lending
2701 Main Street, Irvine, Orange County
Opened: 11/28/11

Money Transmitter Activity**New Money Transmitter**

AscendantFX Capital USA, Inc. dba AscendantFX
Opened: 12/29/11

CambioReal, Inc.
Withdrawn: 12/22/11

Cambridge Mercantile Corp. (USA)
Opened: 12/19/11

CheckFreePay Corporation
Approved: 11/30/11

Choice Money Transfer, Inc.
Filed: 12/7/11

Facebook Payments Inc.
Filed: 12/13/11

JPay, Inc.
Approved: 11/15/11

Keefe Commissary Network, LLC
Approved: 11/15/11

NoteWorld Services Center
Filed: 11/29/11

VCB Money, Inc.
Opened: 12/28/11

WILLIAM S. HARAF
Commissioner of Financial Institutions

Bulletin for Month ended
December 2011, issued pursuant
to Financial Code section 258

WILLIAM S. HARAF
Commissioner of Financial Institutions



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