

# Monthly Bulletin

California Department of Business Oversight



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March 2016

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## DBO Promotes Two New Financial Institutions Managers in L.A. and Sacramento Banking Programs

Thomas Egu has been promoted to the position of Financial Institutions Manager (Portfolio Manager) in the Los Angeles Office of the DBO's Banking Program. In addition, Devin Bragg has been promoted to the position of Financial Institutions Manager (Portfolio Manager) in the Sacramento Office of the Banking Program. Both promotions took effect Feb. 8.

- **Thomas Egu** began his banking career in Ghana after receiving his bachelor's degree with an emphasis in Banking and Finance from the University of Ghana. He then took a position with American Savings Bank (later acquired by Washington Mutual). Thomas earned an MBA degree from Pepperdine University's Graziadio School of Business and Management before returning to banking with U.S. Bank.

Thomas joined the DBO in March 2005 as a Financial Institutions Examiner in the Los Angeles Office Banking Program. He was promoted to the position of Senior Financial Institutions Examiner in 2009. Thomas has served as the Examiner-In-Charge of East West Bank (the largest state-chartered bank headquartered in Southern California) and has served as the Examiner-In-Charge for examinations of Banamex USA.

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- **Devin Bragg** spent five years in the U.S. Marine Corps as a helicopter mechanic and air-crewman. He worked his way through college in the Veterans Services Offices of Shasta and Butte counties, where he helped veterans apply for disability and other service-related benefits. He holds a bachelor's degree in Business Administration from CSU, Chico and is currently in his final year of Graduate Banking School at the Pacific Coast Banking School in Seattle, Washington.

Devin joined the DBO's Sacramento office in 2006 as a Financial Institutions Examiner and was promoted to Senior Financial Institutions Examiner in 2011. He has served as the Examiner-in-Charge for banks of various sizes, risk and complexity, including several cycles as Examiner-in-Charge at Westamerica Bank.



## **Bret Ladine Appointed Assistant General Counsel for DBO**

Bret Ladine began serving as DBO Assistant General Counsel on Feb. 23. Bret was appointed to the position by the Governor on Nov. 2.

From 2012 until his appointment, Bret worked as a senior associate at the Hogan Lovells law firm. Prior to that job, he was an associate at the prominent Silicon Valley firm of Wilson, Sonsini, Goodrich and Rosati from 2008 to 2012, a summer associate at Pillsbury, Winthrop, Shaw, Pittman LLP in 2007. Bret also spent the summer of 2006 working as a law clerk in the U.S. Attorney's Office for the Eastern District of California.

From 2003-2005, Bret served as press secretary and communications director for California Congressman Dennis Cardoza. Prior to that time, he was a correspondent at the *Boston Globe* and a staff writer at the *New Orleans Times-Picayune*. Bret earned his law degree in 2008 from the University of Virginia.



## Notice to DBO of Extraordinary Events of Public Interest

The Commissioner of Business Oversight requests that banks and credit unions notify the DBO of business developments or incidents that may draw media attention or otherwise subject the institution to public scrutiny. Reportable events include extraordinary incidents that may result in the temporary closure of a branch. Examples of such incidents include branch takeover robberies, bomb threats, staff members being taken into custody during working hours or hacking of a computer system.

Notice should be made in a timely manner to the Assistant Deputy Commissioner who oversees the institution.



**Credit Union**

## Reminder to Credit Unions: You Can Apply to DBO for Low-Income Designation

The Commissioner reminds credit union officials they can apply to the DBO to obtain a low-income designation. The DBO will affirm that designation by letter if the credit union meets the criteria established under federal law. A primary criterion is that the majority of the credit union's membership must qualify as low-income.

The low-income designation provides a credit union with several benefits. Institutions with the designation can: accept non-member deposits from any source; offer secondary capital account; obtain an exemption from aggregate limits on member business loans; apply for grants and low-interest loans from the National Credit Union Administration (NCUA); and more.

For more information, credit unions should contact their DBO portfolio manager. Additional resources are available at NCUA here:

<https://www.ncua.gov/services/Pages/small-credit-union-learning-center/Documents/Maximizing-Low-Income-Designation.pdf>.



## DBO Announces Roundtable Discussions with Consumer Advocates

In a new initiative, the DBO will hold regular roundtable meetings with consumer advocates, starting this fall. DBO Commissioner Owen said the effort's aim is to "start and maintain a dialogue that helps us better protect financial services consumers and the market."

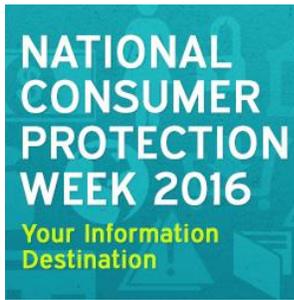
The roundtables will be held twice annually, in the spring and fall. Agendas will be set jointly by DBO and the consumer advocates, and cover issues related to financial services licensees and activities within DBO's jurisdiction. Discussions will encompass the DBO's work related to banks, credit unions, money transmitters, mortgage lenders and servicers, payday lenders, non-bank consumer finance lenders, investment advisers, securities broker-dealers and more.

Consumer advocacy groups currently on the list of participants include: Center for Responsible Lending; Consumers Union; California Reinvestment Coalition; Public Good Law Center; East Bay Community Law Center; Bet Tzedek Legal Services; Public Law Center of Orange County; Housing and Economic Rights Advocates; Watsonville Law Center; Rural Community Assistance Corporation; and SAFE-BIDCO.



## Escrow Law Advisory Committee

The next Escrow Law Advisory Committee meeting will be held Tuesday Mar. 15 at 10 a.m. in the seventh floor conference room at the DBO's Los Angeles office, located at 320 West Fourth Street. The [agenda](#) for the next meeting and the [minutes](#) from the Dec. 8 meeting are available at the DBO website. Please contact Special Administrator Richard Malme in the Los Angeles office at (213) 576-7595 if you have any questions.



## National Consumer Protection Week: March 6-12

Governor Edmund G. Brown Jr. has encouraged all Californians to work together during National Consumer Protection Week to give consumers the knowledge and skills to make safe and successful financial choices. Every day, Californians make important decisions about finances, health care, privacy, technology and more. NCPW.gov offers consumers a wealth of tips and information from federal and state government and non-profit partner organizations. DBO is promoting NCPW. For more, visit [DBO's NCPW page](#) or the national [NCPW page](#).



## California Financial Literacy Month: April 2016

DBO will celebrate California Financial Literacy Month (CAFLM) in April. Learn more by visiting DBO's [CAFLM homepage](#). California Financial Literacy Month promotes information, news and resources to help Californians make informed financial decisions and achieve their financial goals. CAFLM partners include government agencies, financial institutions and nonprofit and community-based organizations.



## DBO Commissioner Owen to Chair National Non-Depository Supervisory Committee

DBO Commissioner Jan Owen will serve as chairwoman of the Conference of State Banking Supervisors' (CSBS) new Non-Depository Supervisory Committee. The CSBS membership approved formation of the new standing committee last December.

The Non-Depository Supervisory Committee will provide oversight of and support for committees established by national cooperative agreements for non-depository supervision. The Committee also will provide a forum for discussion of interstate non-depository supervisory matters and provide advice on non-depository policy development to other CSBS standing committees or CSBS task forces. The Committee may serve as a liaison between the Board of Directors and other state-regulator associations, as well as federal agencies, to help foster a coordinated system of non-depository supervision.

Other members of the new Committee are Charles Cooper (Texas), David Cotney (Massachusetts), Gavin Gee (Idaho), Ray Grace (North Carolina), Bryan Schneider (Illinois) and Robin Wiessmann (Pennsylvania).

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## **Californians Save 1.1 Million Acre-Feet of Water; Urged to Stay Focused on Conservation**

California urban water users in January reduced their consumption by 17.1 percent compared to the same month in 2013, according to State Water Board data. That savings rate was down from 18.4 percent in December.

The Board also reported the state was 96 percent of the way to meeting the Governor's goal of saving 1.2 million acre-feet of water during the period June

2015 through February 2016. The savings total from last June through January was 1.1 million acre-feet.

The state remains in a record drought. Californians are urged not to relax their water-saving habits and reduce or eliminate outdoor irrigation when it's wet and limit household water use to the essentials. For more information on the drought and conservation programs, go to [www.ca.gov/drought/](http://www.ca.gov/drought/).



## **Commercial Bank Activity**

### **New Bank**

Blue Gate Bank  
611 Anton Boulevard, Costa Mesa, Orange County  
Correspondent: Gary Steven Findley  
Gary Steven Findley & Associates  
3808 E. La Palma Avenue, Anaheim, CA 92807  
714-630-7136  
Filed: 2/23/16

### **Merger**

County Commerce Bank, Ventura, to merge with and into Citizens Business Bank, Ontario  
Effectuated: 2/29/16

Orange County Business Bank, Irvine, California, to merge with and into HomeStreet Bank, Seattle, Washington  
Effectuated: 2/1/16

Pan American Bank, Los Angeles, to merge with and into Beneficial State Bank, Oakland  
Filed: 2/16/16

TomatoBank, Alhambra, to merge with and into Royal Business Bank, Los Angeles  
Approved: 2/11/16  
Effectuated: 2/19/16

## **Credit Union Activity**

### **Merger**

Faith Based Federal Credit Union, Oceanside, to merge with and into Pacific Marine Credit Union, Oceanside  
Filed: 2/9/16

ILWU-FSC Federal Credit Union, Oakland, to merge with and into ILWU Credit Union, Wilmington  
Approved: 2/1/16  
Effectuated: 2/1/16

**Merger (cont.)**

Union Oil Santa Fe Springs Employees Federal Credit Union, Brea, to merge with and into Credit Union of Southern California, Whittier  
Filed: 2/17/16

**Premium Finance Company Activity****New Premium Finance Company**

Heritage Premium Finance Company  
660 Newport Center Drive, Newport Beach, Orange County  
Opened: 1/27/16

TAFS Premium Finance, Inc.  
818 West Seventh Street, Los Angeles, Los Angeles County  
Filed: 2/1/16

**Foreign Other (Nation) Bank Activity****Office Relocation**

Cooperatieve Rabobank U.A.  
From 4 Embarcadero Center, to 600 Montgomery Street, City and County of San Francisco (Representative Office)  
Filed: 2/5/16  
Approved: 2/10/16  
Effected: 2/12/16

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

First Liberty Bank  
1260 Corona Pointe Court, Corona, Riverside County (Facility – Insured Bank)  
Opened: 2/1/16

Northeast Bank  
915 E. La Veta Avenue, Orange, Orange County (Facility – Insured Bank)  
No Objection: 2/5/16

**Discontinuance**

Pacific Continental Bank  
26 Center Street San Rafael, Marin County (Facility – Insured Bank)  
No Objection: 2/1/16

**Money Transmitter Activity****New Money Transmitter**

Kaah Express, Inc.  
Opened: 2/12/16

**Acquisition of Control**

TIO Networks USA, Inc. to acquire control of Softgate Systems of California, Inc.  
Approved: 12/15/15

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**JAN LYNN OWEN**

Commissioner of Business Oversight



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