



# Monthly Bulletin

Volume 12, Number 8

February 2009

## Liquidation of Alliance Bank

On February 6, 2009, the Commissioner of Financial Institutions took possession of Alliance Bank and ordered that it be liquidated. The Commissioner then appointed the Federal Deposit Insurance Corporation ("FDIC") as receiver of Alliance Bank, and the FDIC accepted the appointment. On Monday, February 9, 2009, all branches of Alliance Bank reopened as branches of California Bank & Trust, San Diego.

## Liquidation of County Bank

On Friday, February 6, 2009, the Commissioner of Financial Institutions took possession of County Bank and ordered that it be liquidated. The Commissioner then appointed the Federal Deposit Insurance Corporation ("FDIC") as Receiver, and the FDIC accepted the appointment. All deposit accounts were transferred to Westamerica Bank, San Rafael. On Monday, February 9, 2009, the former County Bank locations reopened as branches of Westamerica Bank, San Rafael.

## DFI Participates in FDIC Webcast on Exploring Strategies for Increasing Access to Financial Mainstream

The FDIC Advisory Committee on Economic Inclusion (ComE-IN) met on February 5, 2009 and a Webcast was available nationwide. The agenda focused on strategies for expanding banking services to the significant number of underserved households. An estimated 10 million households – or almost 10 percent of the U.S. population – do not have bank accounts, while many more are considered "underbanked" as they continue to rely on non-bank providers for financial services, often at a very high cost.

A number of expert panelist representing banks, community groups and other organizations discussed specific approaches for reaching the underserved, including providing financial education, developing

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innovative lending and asset-building products and services, and promoting community recovery strategies.

This meeting as well as other ComE-In meetings can be viewed via Webcast at <http://www.vodium.com/goto/fdic/advisorycommittee.asp>.

## California Financial Literacy Month (CFLM) 2009

April 2009 has been designated California Financial Literacy Month (CFLM) to highlight the importance of financial literacy and encourage all Californians to increase their understanding of saving, investing and credit choices. Please see our website for more details:

<http://www.dfi.ca.gov/cflm/default.asp>

## FDIC Releases First National Survey of Banks' Efforts to Serve the Unbanked and Underbanked

The survey found that improvement may be possible in the areas of focus, outreach and commitment. The majority of banks – 63 percent - offer basic financial education materials, but fewer participate in the types of outreach efforts that are viewed by the industry as most effective to attract and maintain unbanked and underbanked individuals as long-term customers. The bank survey, which was voluntary, was administered in 2008 to a nationally representative random sample of about 1,300 FDIC-insured banks and thrifts; 685 completed surveys were returned, representing a 54 percent response rate. Case studies were also developed for 16 banks that are employing innovative ways of serving unbanked and/or underbanked individuals.

Among other key findings of the study are:

- While most banks offer basic checking accounts to all customers, few offer deposit, payment, credit and electronically based products that address the unique needs of unbanked and underbanked customers.
- Banks are concerned about the profitability of doing business with unbanked and underbanked individuals as well as perceived regulatory issues related to anti-money laundering laws and regulations.

Among the findings regarding banks' efforts to improve access through retail branch operations and strategies are:

- Over half of banks offer limited extended hours and foreign language capabilities at their retail branches.
- Almost two-thirds (64 percent) of banks report that they have modified their retail operations in the last five years to make the bank more appealing or convenient for unbanked and/or underbanked customers.

Link to the FDIC Survey - [Banks' Efforts to Serve the Unbanked and Underbanked for The Federal Deposit Insurance Corporation](#) - PDF

The Department encourages its bank and credit union licensees to reach out to the unbanked and underbanked through programs such as [Go Direct](#) and [Bank on California](#), and by [supporting financial literacy efforts](#).

## 8 Tips for Financial Success

The Department of Financial Institutions has partnered with its sister agency, the [California Department of Corporations](#), and the [California Council on Economic Education](#) to produce "[8 Tips for Financial Success](#)". This handy, two-page guide contains eight commonsensical suggestions that any household can use to make their hard-earned dollars go farther. We encourage our licensees and others to download and print this guide for distribution to customers, community groups, schools and anyone interested in learning how to earn, spend, save and invest more wisely.

## Commercial Bank Activity

### New Bank

American Cedars Bank  
500 North Central Avenue, Glendale, Los Angeles County  
Correspondent: David E. Abshier  
LECG  
550 South Hope Street, Suite 2150  
Los Angeles, CA 90071  
(213) 243-3700  
Withdrawn: 2/23/09

Valley Republic Bank  
5000 California Avenue, Bakersfield, Kern County  
(661) 371-2000  
(661) 371-2010 (fax)  
Officers: Bruce Jay, President and Chief Executive Officer  
Grady Buck, Executive Vice President and Chief Credit Officer  
Phil McLaughlin, Executive Vice President  
Capitalization: \$24,597,930.00  
Website: <http://www.valleyrepublicbank.com>  
Opened: 2/2/09

## Industrial Bank Activity

### Conversion to State Charter

Circle Bank, to convert to state-chartered commercial bank  
Filed: 1/21/09  
Approved: 2/17/09

**Conversion to State Charter (continued)**

Tamalpais Bank, San Rafael, to convert to state-chartered commercial bank  
Effected: 1/30/09

**Acquisition of Control**

Community Bank Investors of America, L.P., to acquire control of Silvergate Bank  
Withdrawn: 6/18/08

**Change of Name**

First Security Thrift Company, Orange, to change its name to First Security Business Bank  
Effected: 1/23/09

## **Premium Finance Company Activity**

**New Premium Finance Company**

Premium One Funding Corporation  
8530 La Mesa Boulevard, La Mesa, San Diego County  
Approved: 12/24/08

**Acquisition of Control**

JoAnn R. Myers to acquire control of Pacific Security Premium Finance Corp.  
Filed: 2/4/09  
Approved: 2/26/09

**Voluntary Surrender of License**

Broadway Premium Funding Corp. of California  
Effected: 2/25/09

## **Credit Union Activity**

**Field of Membership**

Two credit unions received approval to add two new fields of membership during January 2009.

**Variance**

One credit union received approval for request for variance to sections of the California Code of Regulations during January 2009.

**Bylaw Amendment**

Two credit unions received approval for two bylaw amendments during January 2009.

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

### **New Office**

United Overseas Bank Limited  
777 South Figueroa Street, City and County of Los Angeles (Branch Office)  
Filed: 2/10/09

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

### **New Facility**

Independence Community Bank  
1901 Avenue of the Stars, Suite 700, Los Angeles, Los Angeles County  
Withdrawn: 2/4/09

## **Transmitter of Money Abroad Activity**

### **New Transmitter**

Google Payment Corp.  
Approved: 2/4/09

HIFX, Inc.  
Approved: 2/4/09

Tempo Financial U.S. Corporation  
Filed: 2/9/09

### **Acquisition of Control**

ACP TD, Inc., to acquire control of Naunihal Currency Exchange, Inc.  
Approved: 12/2/08

Microfinance International Corporation to acquire control of El Camino Transferencias  
Approved: 12/2/08

**Acquisition of Control (continued)**

New Social Ventures, Inc., to acquire control of Omnex Group, Inc.  
Approved: 11/4/08

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WILLIAM S. HARAF  
Commissioner of Financial Institutions

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to Financial Code section 258



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