First General Bank
大 通 銀 行

Your Path to Success 攜手大通 邁向成功

2015
Annual Report

Your Path to Success 攜手大通 邁向成功

MISSION & VALUES 使命和價值

Our mission is to create value for our shareholders, customers, employees and community.

為股東，客戶，員工和社區創造最高價值。

Creating value for shareholders 為股東創造價值

Creating and maximizing shareholder value is a mission and goal of our Bank. Our strategy is to create value for our shareholders through profitable and sustainable growth. We understand that long-term shareholder value can be maximized only when the Bank is able to create value for our customers, our employees, and our community. We believe we have succeeded in these areas, and we are proud to continue our mission to create and add value for our shareholders, year after year.

創造和實現股東最高獲利是我們銀行的使命。我們通過持續盈利的增長，為股東創造價值。我們相信當銀行能夠為我們的客戶，員工和社會創造最大價值的時候，就是股東的最高價值。我們感恩能夠每年持續的為股東創造最高價值。

Creating value for employees 為員工創造價值

Our employees are our most important assets – Therefore, providing a harmonious and rewarding environment for our employees is also our focus. Over the years, the Bank has greatly invested in training and developing its employees, along with a competitive, merit-based compensation and benefit program. The reward? A team of dedicated, professional employees who share a common goal of the First General Bank family: Creating value for our customers, shareholders, employees, and community.

我們的員工是我們最重要的資產。我們提供一個和諧，成長和獎勵的工作環境，並為員工增進其競爭力及專業發展，最終提高整體服務品質。我們的員工成就了我們銀行的使命:為股東，客戶和社區創造最高價值。

Creating value for customers 為客戶創造價值

Since the Bank's beginning, we understand that we can only compete in the marketplace by creating value for our customers. We accomplish this in several ways: Ensuring that each of our employees understand that the "Customer" is our top priority; understanding each of our customer's unique business needs; and providing responsive, valuable and quality services. Our business exists because of our customers – Going the extra mile for our customers has always been a standard at our Bank.

從銀行開幕營運以來，我們的使命就是為客戶創造最高價值。服務「客戶」是我們的首要任務。我們了解客戶的需求，以最迅速專業的服務來滿足客戶。我們永遠會為客戶提供優質，及時和增值的服務來確保客戶能獲得最高價值。

Creating value for our community 為社區創造價值

The Bank's roots lie in the community. We owe much of our success to the community's support – Therefore, we have been committed to its well-being. In addition to providing financial support to numerous community organizations, our Bank's employees have volunteered to serve the community through teaching financial literacy, assisting low-income families with tax returns filing. Through such volunteering opportunities, our Bank has been able to foster a community-focused culture within the organization, and expand our community network.

我們創行以來始終秉持著以人為本的基本理念。我們的成功來自於社會各界的支持。因此，我們提供慈善捐款幫助社區組織並鼓勵所有員工積極參與社區服務。創造和實現幸福的社區是我們的最高價值。

CONTENTS

精彩十年　　感谢有您	1
FINANCIAL HIGHLIGHTS	2
LETTER TO SHAREHOLDERS – ENGLISH	3
LETTER TO SHARHOLDERS – CHINESE	4
INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS	5
STATEMENTS OF FINANCIAL CONDITION	6 - 7
STATEMENTS OF INCOME	8
STATEMENTS OF COMPREHENSIVE INCOME	9
STATEMENTS OF CHANGES IN SHAREHOLDERS’ EQUITY	10
STATEMENTS OF CASH FLOWS	11
NOTES TO THE FINANCIAL STATEMENTS	12 – 41
CORPORATE PROFILE	42
CORPORATE INFORMATION	43

精彩十年

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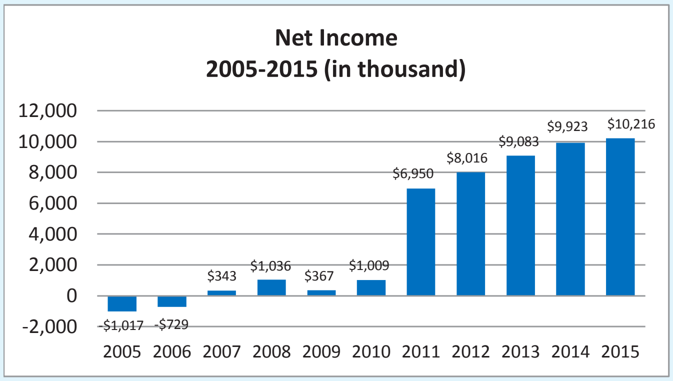
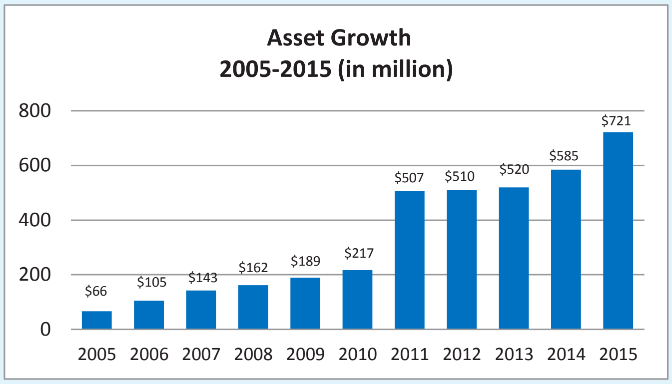
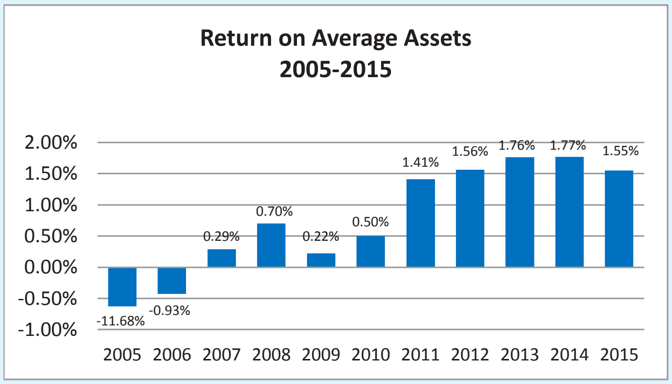
2005 2015

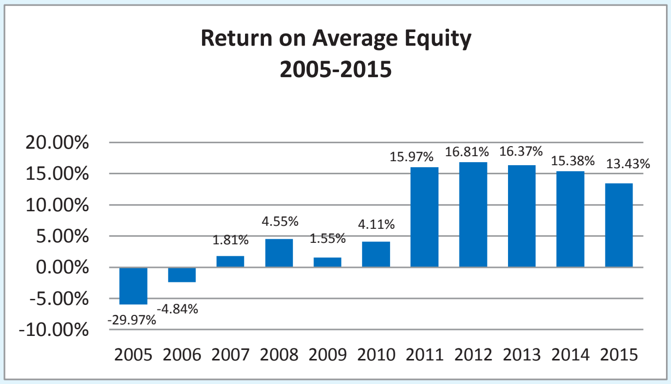
感謝有您

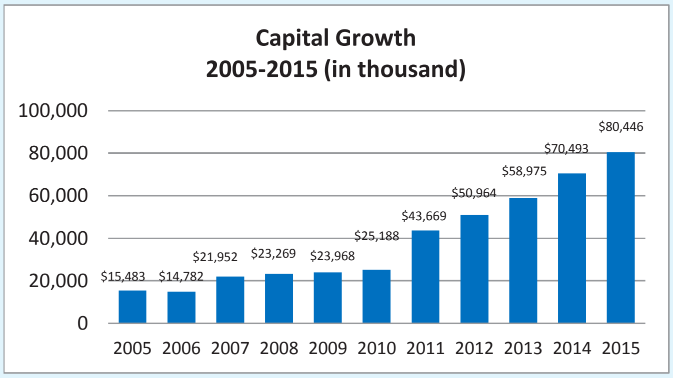
Financial Highlights

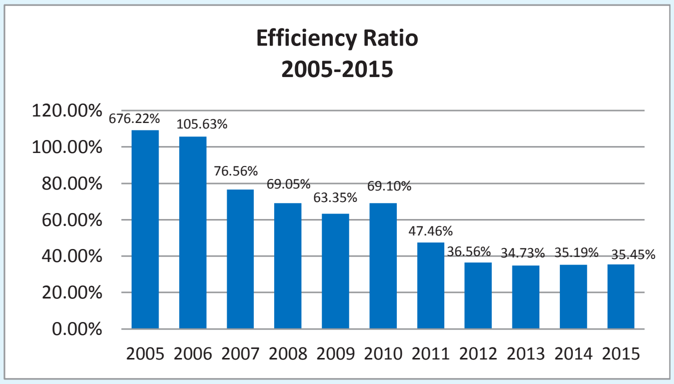


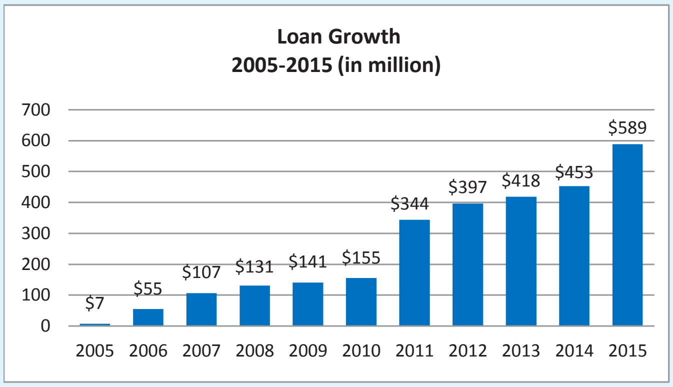


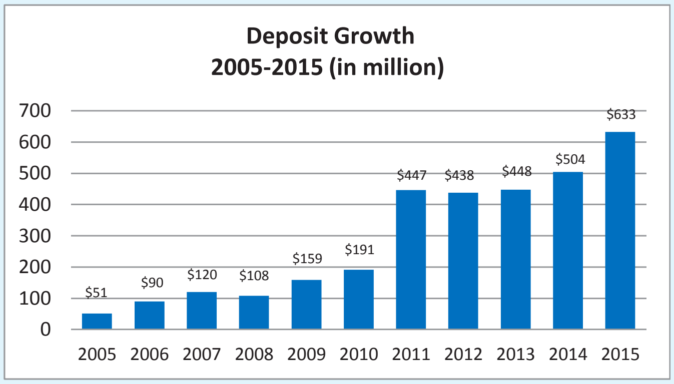












*** Note that the scale for the graphs (ROAA, ROAE & Efficiency Ratio) for year 2005 is not proportional.**

Letter to Shareholders

Dear Shareholders,

2015 marked First General Bank's 10th anniversary. As we celebrated this milestone in October 2015, and enter our 11th year of operations, we would like to sincerely and again thank our customers for the trust they have placed in us, and our employees for their dedication to our mission of providing value-added, quality banking services to customers and creating and maximizing shareholder value. To our shareholders and our Board of Directors, we thank you for your support, leadership and guidance. Together, we have achieved one milestone after another in the "short" 10 years' history of our Bank.

A Decade of Growth and Prosperity

Indeed, looking back, in a little more than ten years, we have built a bank with zero assets in 2005 to become one of the 1,000 largest banks in the U.S. (as of December 31, 2015, according to the FDIC Bank Data & Statistics Report). Along our path to success, we were:

2005	-	Founded in Rowland Heights
2008	-	Rated as "FIVE STAR Bank" by Bauer Financials
2009	-	Rated as "FIVE STAR Bank" by Bauer Financials
2011	-	Ranked as "Super Premier Performing Bank" by Findley Reports
2012	-	Ranked as "Top Bank" by SNL Financials Ranked as "Most Profitable Bank" by LA Business Journal Ranked as "Super Premier Performing Bank" by Findley Reports
2013	-	Ranked as "SBA Export Lender of the Year" by SBA Ranked as "Super Premier Performing Bank" by Findley Reports
2014	-	Ranked as "Top 3 of Publicly Traded Community Banks" by American Bankers Magazine Ranked as "Super Premier Performing Bank" by Findley Reports
2015	-	Rated as "FIVE STAR Bank" by Bauer Financials Ranked as "Super Premier Performing Bank" by Findley Reports

While our success was reflected in our strong financial performance year after year, many of our accomplishments cannot be listed numerically: In the past ten years, we have attracted many talents to our Bank; built a reputation and corporate culture of pursuit of excellence and community involvement, established an efficient operations, consistent with the principles of safe and sound banking, set up a branch network that is strategically located and staffed to serve our customers and community best; completed two successful mergers that further strengthen our foundation for sustainable growth and profitability in the years ahead.

2015 Financial Performance

Building on the momentum over the past decade, for 2015, our Bank continued to achieve record levels in many areas:

- For 2015, our After-Tax Net Income reached another record high at $10.22 million, a 2.95 % increase over the $9.92 million earned in 2014.
- Total Assets were $720.59 million, an increase of 23.14% as compared to 2014's $585.15 million.
- Total Gross Loans were $598.07 million, an increase of 29.60%, as compared to 2014's $461.47 million.
- Total Deposits increased by approximately 25.40% to record high $632.57 million, as compared to 2014.
- Total Risk-Based Capital was 13.80%. The Bank is "well-capitalized" by all regulatory measurements and definitions.
- As of December 31, 2015, the Bank's Shareholders' Equity was $80.45 million, a 14.12% increase from 2014's $70.49 million. Tangible Book value per share was at $21.10.
- The Bank's Return on Equity (ROE) at 13.43% and Return on Assets at 1.55% were among the highest in the nation.
- In 2015, our Board of Directors declared a cash dividend of $0.50 per common share to stockholders, an 11.11% increase as compared to 2014.

Looking Ahead

Looking ahead, the uncertainty about the direction of interest rate and the concerns about the economic down turn globally caution us about a possible financial slow down. However, we are confident in our ability to weather any storm, and will continue to lead and reinforce our Bank's competitiveness by staying focused on what we do best - delivering quality, value-added services to our customers, and pursuing sustainable growth strategies, including possible acquisition and establishment of new branches.

With your support, we are confident that 2016 will be another year of success, and the next decade will be another decade of prosperity.

Jackson Yang
Chairman of the Board

Cliff J. Hsu
President & CEO

致股東函

親愛的股東,

大通銀行於 2015 年慶祝「十週年」之際，同時也邁入了另一個新的里程碑。我們誠摯地感謝廣大客戶對我們的長期信賴，全體員工的努力與貢獻，暨所有股東們的支持及董事會的高瞻遠矚。深信在股東，客戶，員工及社區不斷的支持下，大通銀行將會有另一個豐碩的十年。

大通十年的成長與榮譽

回首過去，大通銀行從 2005 年開行的零資產，至今年成為美國一千家最大的銀行之一(全美銀行總數 6,164) 。大通銀行每年締造強勁的財務業績，持續獲評選為全國最高獲利的銀行之一，並於營運效率，資產以及股東投資報酬率方面，在同業間持續領先的地位，但是我們的成就不只於此。在過去的十年裡，不但吸引了眾多業界菁英加入銀行的經營團隊，更建立了卓越聲譽和社區參與的企業文化，並以高效率及穩建營運名聞南加社區; 兩次成功的併購更奠定我們成長與獲利的優良基礎。一路走來，大通銀行獲得許多成就和榮譽:

2005 年	大通銀行於羅蘭崗開幕營運
2008 年	Bauer Financials 評選為最高榮譽之「**五星獎**」
2009 年	Bauer Financials 評選為最高榮譽之「**五星獎**」
2011 年	Findley Reports 評選為「**超級優異營運之銀行**」
2012 年	SNL Financials 評選為「**第一名頂級銀行**」
	LA Business Journal 洛杉磯商業雜誌評選為「**洛杉磯獲利率最高之銀行**」
	Findley Reports 評選為「**超級優異營運之銀行**」
2013 年	SBA 評選為「**中小型企業出口貸款之年度銀行**」
	Findley Reports 評選為「**超級優異營運之銀行**」
2014 年	American Bankers Magazine 美國銀行家雜誌評選為「**超級優異上市銀行**」
	Findley Reports 評選為「**超級優異營運之銀行**」
2015 年	Bauer Financials 評選為最高榮譽之「**五星獎**」
	Findley Reports 評選為「**超級優異營運之銀行**」

2015 年的優異財務業績表現

- 2015 年銀行的稅後淨利再創新高達一仟二十二萬元。與 2014 年九百九十二萬元相比, 增幅達 2. 95% 。
- 資產總額為七億二仟萬美元; 與 2014 年五億捌仟伍百萬相比，成長 23. 14% 。
- 貸款總額為五億九仟八百萬元; 與 2014 年四億六仟一百萬相比，成長 29. 60% 。
- 存款總額也為歷年新高，達六億三仟二百萬元; 與 2014 年相比，成長了約 25. 40% 。
- 風險資本比率為 13. 80%，是法定評比的「優質資本銀行」。
- 截至 2015 年 12 月 31 日止，股東淨值為八仟四十五萬美元。和 2014 年七仟萬元相比，增幅為 14. 12% 。股票帳面價格也再創新高，達每股 21. 10 美元。
- 銀行股東資本報酬率為 13. 43%，名列全國前茅。
- 董事會更於 2015 年通過發配每股 0. 5 元之股息，較 2014 年增加 11. 11% 。

展望未來

展望未來，由於利率的走向和全球經濟發展的不確定性，意味著經濟的腳步可能放緩。然而，我們有信心和能力來應對，並將繼續專注於加強我們銀行的競爭力 - 穩紮穩打，為客戶的財務把關，追求可持續發展的戰略，包括尋求其它合併對象並積極拓展業務範圍，增加新分行的設立，並提供全方位的優質服務給我們的客戶。

在您持續不斷地的支持之下，我們深具信心 2016 年將會是另一個成功的一年，同時未來的十年也將會是另一個碩果豐收的十年。

董事長
楊信

總裁/ 執行長
徐仁貴

Vavrinek, Trine, Day & Co., LLP

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Shareholders of
First General Bank

We have audited the accompanying financial statements of First General Bank, which are comprised of the statements of financial condition as of December 31, 2015 and 2014, and the related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of First General Bank as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Vavrinek, Trine, Day + Co., LLP

Laguna Hills, California
March 21, 2016

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FIRST GENERAL BANK

STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2015 AND 2014

ASSETS

	2015	2014
Cash and Due from Banks	$ 35,577,133	$ 53,025,370
Federal Funds Sold	69,000,000	53,000,000
TOTAL CASH AND CASH EQUIVALENTS	104,577,133	106,025,370
Interest-Bearing Deposits in Other Banks	490,000	1,470,000
Securities Available for Sale	573,745	735,031
Securities Held to Maturity (Fair Value of $5,849,123 at 2015 and $4,655,815 at 2014)	5,908,823	4,652,970
Loans:		
Real Estate	511,594,435	401,593,624
Commercial	86,473,654	59,879,030
TOTAL LOANS	598,068,089	461,472,654
Net Deferred Loan (Fees) Costs	(299,665)	246,576
Unaccreted Discount on Acquired Loans	(2,280,730)	(2,654,119)
Allowance for Loan Losses	(6,169,657)	(5,689,540)
NET LOANS	589,318,037	453,375,571
Premises and Equipment	423,654	337,768
Federal Home Loan Bank and Other Stock, at cost	2,721,900	2,614,200
Bank Owned Life Insurance ("BOLI")	5,197,172	5,026,807
Deferred Income Taxes	6,688,190	6,551,697
Core Deposit Intangible	102,901	131,900
Goodwill	248,671	248,671
Accrued Interest and Other Assets	4,347,133	3,981,882
TOTAL ASSETS	$ 720,597,359	$ 585,151,867

The accompanying notes are an integral part of these financial statements.

FIRST GENERAL BANK

STATEMENTS OF FINANCIAL CONDITION
DECEMBER 31, 2015 AND 2014

	2015	2014
Deposits:		
Noninterest-Bearing Demand	$ 83,916,090	$ 72,808,236
Savings, NOW and Money Market Accounts	171,703,855	153,955,279
Time Deposits	376,952,141	277,643,562
TOTAL DEPOSITS	632,572,086	504,407,077
Other Borrowings	-	5,000,000
Accrued Interest and Other Liabilities	7,579,368	5,251,382
TOTAL LIABILITIES	640,151,454	514,658,459
Commitments and Contingencies - Notes D and K	-	-
Shareholders' Equity:		
Preferred Stock - 10,000,000 Shares Authorized, No Par Value; No Shares Issued and Outstanding	-	-
Common Stock - 10,000,000 Shares Authorized, No Par Value; Shares Issued and Outstanding of 3,764,096 at 2015 and 3,635,096 at 2014	40,271,256	38,149,150
Additional Paid-in-Capital	1,144,074	1,638,071
Retained Earnings	39,007,211	30,673,670
Accumulated Other Comprehensive Income - Unrealized Gain on Available-for-Sale Securities, Net of Taxes of $19,116 at 2015 and $26,604 at 2014	23,364	32,517
TOTAL SHAREHOLDERS' EQUITY	80,445,905	70,493,408
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 720,597,359	$585,151,867

The accompanying notes are an integral part of these financial statements.

FIRST GENERAL BANK

STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
INTEREST INCOME		
Interest and Fees on Loans	$ 28,158,881	$ 25,540,687
Interest on Investment Securities	145,517	135,780
Interest on Federal Funds Sold and Other	813,648	905,948
TOTAL INTEREST INCOME	29,118,046	26,582,415
INTEREST EXPENSE		
Interest on Savings, NOW and Money Market Accounts	617,948	600,700
Interest on Time Deposits	3,451,750	2,411,659
Interest on Other Borrowings	2,092	6,010
TOTAL INTEREST EXPENSE	4,071,790	3,018,369
NET INTEREST INCOME	25,046,256	23,564,046
Provision for Loan Losses	450,000	400,000
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	24,596,256	23,164,046
NONINTEREST INCOME		
Service Charges, Fees and Other	1,205,576	1,061,617
Earnings on BOLI	170,364	26,807
Gain on Sale of Loans	1,484,910	1,915,740
Net Gain on Sale of Other Real Estate Owned ("OREO")	-	30,012
	2,860,850	3,034,176
NONINTEREST EXPENSE		
Salaries and Employee Benefits	5,539,383	4,975,367
Occupancy and Equipment Expenses	1,102,267	1,088,722
Other Expenses	3,319,651	3,297,264
	9,961,301	9,361,353
INCOME BEFORE INCOME TAXES	17,495,805	16,836,869
Income Tax Expense	7,280,216	6,913,670
NET INCOME	$ 10,215,589	$ 9,923,199

The accompanying notes are an integral part of these financial statements.

FIRST GENERAL BANK

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Net Income	$10,215,589	$9,923,199
OTHER COMPREHENSIVE INCOME (LOSS):		
Unrealized Gains and Losses on Securities Available for Sale:		
Changes in Unrealized Losses	(16,641)	(9,480)
Reclassification of (Gains) Losses Recognized in Net Income	-	-
	(16,641)	(9,480)
Related Income Tax Effect:		
Changes in Unrealized Losses	7,488	4,266
Reclassifications Recognized in Net Income	-	-
	7,488	4,266
OTHER COMPREHENSIVE INCOME (LOSS)	(9,153)	(5,214)
TOTAL COMPREHENSIVE INCOME	$10,206,436	$9,917,985

The accompanying notes are an integral part of these financial statements.

FIRST GENERAL BANK

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Common Stock		Additional		Accumulated Other	
	Number of Shares	Amount	Paid-in Capital	Retained Earnings	Comprehensive Income	Total
Balance at January 1, 2014	3,339,871	$ 35,068,583	$ 1,482,309	$ 22,386,264	$ 37,731	$ 58,974,887
Net Income				9,923,199		9,923,199
Stock-Based Compensation			155,762			155,762
Exercise of Stock Options	295,225	3,080,567				3,080,567
Dividends Declared				(1,635,793)		(1,635,793)
Other Comprehensive Loss, Net of Taxes					(5,214)	(5,214)
Balance at December 31, 2014	3,635,096	38,149,150	1,638,071	30,673,670	32,517	70,493,408
Net Income				10,215,589		10,215,589
Stock-Based Compensation			243,587			243,587
Exercise of Stock Options	129,000	2,122,106	(737,584)			1,384,522
Dividends Declared				(1,882,048)		(1,882,048)
Other Comprehensive Loss, Net of Taxes					(9,153)	(9,153)
Balance at December 31, 2015	3,764,096	$ 40,271,256	$ 1,144,074	$ 39,007,211	$ 23,364	$ 80,445,905

The accompanying notes are an integral part of these financial statements.

FIRST GENERAL BANK

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
OPERATING ACTIVITIES		
Net Income	$ 10,215,589	$ 9,923,199
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation, Amortization and Accretion, Net	(159,823)	(416,198)
Provision for Loan Losses	450,000	400,000
Stock-Based Compensation	243,587	155,762
Gain on Sale of Loans	(1,484,910)	(1,915,740)
Net Gain on Sale of OREO	-	(30,013)
Earnings on BOLI	(170,364)	(26,807)
Deferred Income Tax	(129,005)	(205,626)
Other Items	1,722,932	88,226
NET CASH PROVIDED BY OPERATING ACTIVITIES	10,688,006	7,972,803
INVESTING ACTIVITIES		
Net Change in Interest-Bearing Deposits in Other Banks	980,000	(475,000)
Purchase of Held-to-Maturity Securities	(1,683,238)	(2,385,361)
Maturity/Principal Paydowns of Available-for-Sale Securities	548,763	438,493
Net Change in Federal Home Loan Bank and Other Stock	(107,700)	(88,300)
Net Increase in Loans	(156,700,365)	(58,887,644)
Proceeds from Loan Sales	22,163,997	25,473,619
Proceeds from OREO Sales	-	110,943
Purchases of Premises and Equipment	(260,045)	(61,670)
Purchases of BOLI	-	(5,000,000)
NET CASH USED BY INVESTING ACTIVITIES	(135,058,588)	(40,874,920)
FINANCING ACTIVITIES		
Net Increase in Demand Deposits and Savings Accounts	28,856,430	13,371,728
Net Increase in Time Deposits	99,317,186	43,257,264
Dividends Paid	(1,635,793)	(1,168,955)
Proceeds from Exercise of Stock Options, Including Tax Benefit	1,384,522	3,080,567
Net Decrease in Other Borrowings	(5,000,000)	(3,000,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	122,922,345	55,540,604
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,448,237)	22,638,487
Cash and Cash Equivalents at Beginning of Period	106,025,370	83,386,883
CASH AND CASH EQUIVALENTS AT END OF YEAR	$104,577,133	$106,025,370
Supplemental Disclosures of Cash Flow Information:		
Interest Paid	$ 4,056,864	$ 2,989,125
Taxes Paid	$ 6,650,000	$ 7,270,000
Loans Transferred to Other Real Estate Owned	$ -	$ 80,930

The accompanying notes are an integral part of these financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and FDIC Part 350.4 Statement

The Bank has been incorporated in the State of California and organized as a single operating segment that operates four full-service branches in Rowland Heights, Arcadia, San Gabriel, and Irvine, California. The Bank's primary source of revenue is providing loans to customers, who are predominately small and middle-market businesses and individuals. These financial statements have not been reviewed, or confirmed for accuracy or relevance, by the Federal Deposit Insurance Corporation ("FDIC").

Subsequent Events

The Bank has evaluated subsequent events for recognition and disclosure through March 21, 2016, which is the date the financial statements were available to be issued.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash, due from banks, Federal funds sold and term Federal funds sold with original maturities of less than 90 days.

Cash and Due From Banks

Banking regulations require that banks maintain a percentage of their deposits as reserves in cash or on deposit with the Federal Reserve Bank. The Bank was in compliance with all reserve requirements as of December 31, 2015.

The Bank maintains amounts due from banks, which may exceed federally insured limits. The Bank has not experienced any losses in such accounts.

Interest-Bearing Deposits in Other Banks

Interest-bearing deposits in other banks mature within one year and are carried at cost.

Investment Securities

Bonds, notes, and debentures for which the Bank has the positive intent and ability to hold to maturity are reported at cost, adjusted for premiums and discounts that are recognized in interest income using the interest method over the period to maturity.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Investment Securities - Continued

Investments not classified as trading securities nor as held-to-maturity securities are classified as available-for-sale securities and recorded at fair value. Unrealized gains or losses on available-for-sale securities are excluded from net income and reported as a separate component of other comprehensive income included in shareholders' equity. Premiums or discounts on held-to-maturity and available-for-sale securities are amortized or accreted into income using the interest method. Realized gains or losses on sales of held-to-maturity or available-for-sale securities are recorded using the specific identification method.

Management evaluates securities for other-than-temporary impairment ("OTTI") on at least a quarterly basis, and more frequently when economic or market conditions warrant such an evaluation. For securities in an unrealized loss position, management considers the extent and duration of the unrealized loss, and the financial condition and near-term prospects of the issuer. Management also assesses whether it intends to sell, or it is more likely than not that it will be required to sell, a security in an unrealized loss position before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the entire difference between amortized cost and fair value is recognized as impairment through earnings. For debt securities that do not meet the aforementioned criteria, the amount of impairment is split into two components as follows; 1) OTTI related to credit loss, which must be recognized in the income statement and; 2) OTTI related to other factors, which is recognized in other comprehensive income. The credit loss is defined as the difference between the present value of the cash flows expected to be collected and the amortized cost basis. For equity securities, the entire amount of impairment is recognized through earnings.

Loans

Loans receivable that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at their outstanding unpaid principal balances reduced by any charge-offs or specific valuation accounts and net of any deferred fees or costs on originated loans, or unamortized premiums or discounts on purchased loans. Loan origination fees and certain direct origination costs are capitalized and recognized as an adjustment of the yield of the related loan. Premiums and discounts on loans purchased are grouped by type and certain common risk characteristics and amortized or accreted as an adjustment of yield over the weighted-average remaining contractual lives of each group of loans, adjusted for prepayments when applicable, using methodologies which approximate the interest method.

Loans on which the accrual of interest has been discontinued are designated as nonaccrual loans. The accrual of interest on loans is discontinued when principal or interest is past due 90 days based on the contractual terms of the loan or when, in the opinion of management, there is reasonable doubt as to collectibility. When loans are placed on nonaccrual status, all interest previously accrued but not collected is reversed against current period interest income. Income on nonaccrual loans is subsequently recognized only to the extent that cash is received and the loan's principal balance is deemed collectible. Interest accruals are resumed on such loans only when they are brought current with respect to interest and principal and when, in the judgment of management, the loans are estimated to be fully collectible as to all principal and interest.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Allowance for Loan Losses

The allowance for loan losses is a valuation allowance for probable incurred credit losses. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Management estimates the allowance balance required using past loan loss experience, the nature and volume of the portfolio, information about specific borrower situations and estimated collateral values, economic conditions, and other factors. Allocations of the allowance may be made for specific loans, but the entire allowance is available for any loan that, in management's judgment, should be charged off. Amounts are charged-off when available information confirms that specific loans or portions thereof, are uncollectible. This methodology for determining charge-offs is consistently applied to each segment.

The Bank determines a separate allowance for each portfolio segment. The allowance consists of specific and general reserves. Specific reserves relate to loans that are individually classified as impaired. A loan is impaired when, based on current information and events, it is probable that the Bank will be unable to collect all amounts due according to the contractual terms of the loan agreement. Factors considered in determining impairment include payment status, collateral value and the probability of collecting all amounts when due. Measurement of impairment is based on the expected future cash flows of an impaired loan, which are to be discounted at the loan's effective interest rate, or measured by reference to an observable market value, if one exists, or the fair value of the collateral for a collateral-dependent loan. The Bank selects the measurement method on a loan-by-loan basis except that collateral-dependent loans for which foreclosure is probable are measured at the fair value of the collateral.

The Bank recognizes interest income on impaired loans based on its existing methods of recognizing interest income on nonaccrual loans. Loans, for which the terms have been modified resulting in a concession, and for which the borrower is experiencing financial difficulties, are considered troubled debt restructurings and classified as impaired with measurement of impairment as described above.

If a loan is impaired, a portion of the allowance is allocated so that the loan is reported, net, at the present value of estimated future cash flows using the loan's existing rate or at the fair value of collateral if repayment is expected solely from the collateral. Smaller balance, homogeneous loans are collectively evaluated for impairment.

General reserves cover non-impaired loans and are based on a combination of peer and historical loss rates for each portfolio segment, adjusted for the effects of qualitative or environmental factors that are likely to cause estimated credit losses as of the evaluation date to differ from the portfolio segment's historical loss experience. Qualitative factors include consideration of the following: changes in lending policies and procedures; changes in economic conditions, changes in the nature and volume of the portfolio; changes in the experience, ability and depth of lending management and other relevant staff; changes in the volume and severity of past due, nonaccrual and other adversely graded loans; changes in the loan review system; changes in the value of the underlying collateral for collateral-dependent loans; concentrations of credit and the effect of other external factors such as competition and legal and regulatory requirements.

Portfolio segments identified by the Bank include real estate and commercial loans. Relevant risk characteristics for these portfolio segments generally include debt service coverage, loan-to-value ratios, and financial performance.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Certain Acquired Loans

As part of business acquisitions, the Bank acquired certain loans that have shown evidence of credit deterioration since origination. These acquired loans are recorded at the allocated fair value, such that there is no carryover of the seller's allowance for loan losses. Such acquired loans are accounted for individually. The Bank estimates the amount and timing of expected cash flows for each purchased loan, and the expected cash flows in excess of the allocated fair value is recorded as interest income over the remaining life of the loan (accretable yield). The excess of the loan's contractual principal and interest over expected cash flows is not recorded (non-accretable difference). Over the life of the loan, expected cash flows continue to be estimated. If the present value of expected cash flows is less than the carrying amount, a loss is recorded through the allowance for loan losses. If the present value of expected cash flows is greater than the carrying amount, it is recognized as part of future interest income.

Bank Owned Life Insurance

Bank owned life insurance is recorded at the amount that can be realized under insurance contracts at the date of the statement of financial condition, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement.

Other Real Estate Owned

Real estate acquired by foreclosure or deed in lieu of foreclosure is recorded at fair value at the date of foreclosure, establishing a new cost basis by a charge to the allowance for loan losses, if necessary. Other real estate owned is carried at the lower of the Bank's carrying value of the property or its fair value, less estimated carrying costs and costs of disposition. Fair value is based on current appraisals less estimated selling costs. Any subsequent write-downs are charged against operating expenses and recognized as a valuation allowance. Operating expenses of such properties, net of related income, and gains and losses on their disposition are included in other operating expenses.

Premises and Equipment

Premises and equipment are carried at cost less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives, which ranges from three to ten years for furniture, equipment, and computer equipment. Leasehold improvements are amortized using the straight-line method over the estimated useful lives of the improvements or the remaining lease term, whichever is shorter. Expenditures for betterments or major repairs are capitalized and those for ordinary repairs and maintenance are charged to operations as incurred.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Goodwill and Other Intangible Assets

Goodwill is generally determined as the excess of the fair value of the consideration transferred, plus the fair value of any noncontrolling interests in the acquiree, over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, but tested for impairment at least annually. The Bank has selected December 31 as the date to perform the annual impairment test. Intangible assets with definite useful lives are amortized over their estimated useful lives to their estimated residual values. Goodwill is the only intangible asset with an indefinite life on the balance sheet.

Other intangible assets consist of core deposit intangible assets arising from whole bank acquisitions. They are initially measured at fair value and then are amortized on an accelerated method over their estimated useful lives, which range from 7 to 10 years.

Federal Home Loan Bank ("FHLB") Stock

The Bank is a member of the FHLB system. Members are required to own a certain amount of stock based on the level of borrowings and other factors, and may invest in additional amounts. FHLB stock is carried at cost, classified as a restricted security, and periodically evaluated for impairment based on the ultimate recovery of par value. Both cash and stock dividends are reported as income. The Bank's investment in FHLB stock was $2,469,400 and $2,364,200 at December 31, 2015 and 2014, respectively.

Income Taxes

Deferred income taxes are computed using the asset and liability method, which recognizes a liability or asset representing the tax effects, based on current tax law, of future deductible or taxable amounts attributable to events that have been recognized in the financial statements. A valuation allowance is established to reduce the deferred tax asset to the level at which it is "more likely than not" that the tax asset or benefits will be realized. Realization of tax benefits of deductible temporary differences and operating loss carryforwards depends on having sufficient taxable income of an appropriate character within the carryforward periods.

The Bank has adopted guidance issued by the Financial Accounting Standards Board ("FASB") that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by taxing authorities. Interest and penalties related to uncertain tax positions are recorded as part of income tax expense.

Advertising Costs

The Bank expenses the costs of advertising in the period incurred.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Comprehensive Income

The change in unrealized gains and losses on available-for-sale securities is the only component of accumulated other comprehensive income for the Bank.

Financial Instruments

In the ordinary course of business, the Bank has entered into off-balance sheet financial instruments consisting of commitments to extend credit, commercial letters of credit, and standby letters of credit as described in Note K. Such financial instruments are recorded in the financial statements when they are funded or related fees are incurred or received.

Stock-Based Compensation

The Bank recognizes the cost of employee services received in exchange for awards of stock options, or other equity instruments, based on the grant-date fair value of those awards. This cost is recognized over the period which an employee is required to provide services in exchange for the award, generally the vesting period. See Note M for additional information on the Bank's stock option plan.

Fair Value Measurement

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Current accounting guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value. The guidance describes three levels of inputs that may be used to measure fair value:

> Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
>
> Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
>
> Level 3: Significant unobservable inputs that reflect a Bank's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

See Note N for more information and disclosures relating to the Bank's fair value measurements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales, when control over the assets has been relinquished. Control over transferred assets is deemed to be surrendered when the assets have been isolated from the Bank, the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and the Bank does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Loan Sales and Servicing of Financial Assets

The Bank originates SBA loans that may be sold in the secondary market. Servicing rights are recognized separately when they are acquired through sale of loans. Servicing rights are initially recorded at fair value with the income statement effect recorded in gain on sale of loans. Fair value is based on a valuation model that calculates the present value of estimated future cash flows from the servicing assets. The valuation model uses assumptions that market participants would use in estimating cash flows from servicing assets, such as the cost to service, discount rates and prepayment speeds. The Bank compares the valuation model inputs and results to published industry data in order to validate the model results and assumptions. Servicing assets are subsequently measured using the amortization method which requires servicing rights to be amortized into noninterest income in proportion to, and over the period of, the estimated future net servicing income of the underlying loans.

Servicing assets are evaluated for impairment based upon the fair value of the rights as compared to the carrying amount. Impairment is determined by stratifying rights into groupings based on predominant risk characteristics, such as interest rate, loan type and investor type. For purposes of measuring impairment, the Bank has identified each servicing asset with the underlying loan being services. A valuation allowance is recorded where the fair value is below the carrying amount of the asset. If the Bank later determines that all or a portion of the impairment no longer exists for a particular grouping, a reduction of the allowance may be recorded as an increase in income. The fair values of servicing rights are subject to significant fluctuations as a result of changes in estimated and actual prepayments speeds and changes in the discount rates.

Servicing fee income which is reported on the income statement as service charges, fees and other is recorded for fees earned for servicing loans. The fees are based on a contractual percentage of the outstanding principal and recorded as income when earned. The amortization of servicing rights and changes in the valuation allowance are netted against loan servicing income.

Reclassifications

Certain reclassifications have been made in the 2014 financial statements to conform to the presentation used in 2015. These reclassifications had no impact of the Bank's previously reported financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Adoption of New Accounting Standards

In January 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-04, ***Receivables—Troubled Debt Restructurings by Creditors (Subtopic 310-40): Reclassification of Residential Real Estate Collateralized Consumer Mortgage Loans upon Foreclosure,*** a consensus of the FASB Emerging Issues Task Force. This Update provides clarification as to when an in-substance repossession or foreclosure has occurred, i.e., the creditor is considered to have received physical possession of residential real estate property collateralizing a consumer mortgage loan and, therefore, the loan receivable should be derecognized and the real estate property should be recognized. The Update also will require additional disclosures. The amendments in this Update are effective for interim and annual periods beginning after December 15, 2014. Adoption of this Update did not have a material impact on the Bank's financial statements.

In January 2014, the FASB issued Accounting Standard Update (ASU) No. 2014-02, ***Intangibles – Goodwill and Other (Topic 350): "Accounting for Goodwill"***. This Update allows an accounting alternative for the subsequent measurement of goodwill for entities that are not considered public business entities. An entity that elects the accounting alternative in this Update would amortize goodwill on a straight-line basis over 10 years, or less than 10 years if the entity demonstrates that another useful life is more appropriate. An entity that elects the accounting alternative is further required to make an accounting policy election to test goodwill for impairment at either the entity level or the reporting unit level. Goodwill would be tested for impairment when a triggering event occurs that indicates that the fair value of an entity (or reporting unit) may be below its carrying amount. The accounting alternative, if elected, would be applied prospectively to goodwill existing as of the beginning of the period of adoption and new goodwill recognized in annual periods beginning after December 15, 2014, and interim periods within annual periods beginning after December 15, 2015. Adoption of this Update did not have a material impact on the Bank's financial statements.

Recent Accounting Guidance Not Yet Effective

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, ***Revenue from Contracts with Customers (Topic 606)***. This Update requires an entity to recognize revenue as performance obligations are met, in order to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration the entity is entitled to receive for those goods or services. This update was originally effective for annual reporting periods beginning on or after December 15, 2016 and interim periods therein for public business entities and for annual reporting periods beginning on or after December 15, 2017 and for interim periods within annual reporting periods beginning after December 15, 2018 for all other entities. In July 2015, the FASB issued ASU 2015-14, which provided for a deferral of ASU 2014-09 effective dates for one year for all entities while also permitting early adoption as of annual reporting periods beginning after December 15, 2016. The Bank is currently evaluating the effects of ASU 2014-09 on its financial statements and disclosures, if any.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Recent Accounting Guidance Not Yet Effective - Continued

On January 5, 2016, the FASB issued Accounting Standards Update 2016-01, ***Financial Instruments–Overall: Recognition and Measurement of Financial Assets and Financial Liabilities (Subtopic 825-10).*** Changes made to the current measurement model primarily affect the accounting for equity securities with readily determinable fair values, where changes in fair value will impact earnings instead of other comprehensive income. The accounting for other financial instruments, such as loans, investments in debt securities, and financial liabilities is largely unchanged. The Update also changes the presentation and disclosure requirements for financial instruments. Non public business entities are permitted to immediately adopt a provision which would omit the disclosure of fair value of financial instruments carried at amortized cost. The Bank adopted this provision effective with these financial statements. This Update is generally effective for public business entities in fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. All other entities will have an additional year, but may early adopt coincident with the public business entity effective date. The Bank is currently evaluating the effects of ASU 2016-01 on its financial statements and disclosures.

On February 25, 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, ***Leases (Topic 842)***. The most significant change for lessees is the requirement under the new guidance to recognize right-of-use assets and lease liabilities for all leases not considered short-term leases, which is generally defined as a lease term of less than 12 months. This change will result in lessees recognizing right-of-use assets and lease liabilities for most leases currently accounted for as operating leases under current lease accounting guidance. The amendments in this Update are effective for interim and annual periods beginning after December 15, 2018 for public business entities and one year later for all other entities. The Bank is currently evaluating the effects of ASU 2016-02 on its financial statements and disclosures.

NOTE B - INVESTMENT SECURITIES

Debt and equity securities have been classified in the statements of financial condition according to management's intent. The carrying amount of securities and their approximate fair values at December 31 were as follows:

December 31, 2015 **Available-for-Sale:**	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage-Backed Securities:				
Agency	$ 486,552	$ 37,684	$ -	$ 524,236
Collateralized Mortgage Obligations:				
Agency	44,713	4,796	-	49,509
	$ 531,265	$ 42,480	$ -	$ 573,745

December 31, 2015 **Held-to-Maturity:**	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage-Backed Securities:				
Agency	$ 5,908,823	$ 17,814	$ (77,514)	$ 5,849,123

December 31, 2014 **Available-for-Sale:**	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage-Backed Securities:				
Agency	$ 607,791	$ 51,246	$ -	$ 659,037
Collateralized Mortgage Obligations:				
Agency	68,119	7,875	-	75,994
	$ 675,910	$ 59,121	$ -	$ 735,031

December 31, 2014 **Held-to-Maturity:**	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Mortgage-Backed Securities:				
Agency	$ 4,652,970	$ 29,994	$ (27,149)	$ 4,655,815

NOTE B - INVESTMENT SECURITIES - Continued

Mortgage-backed securities and collateralized mortgage obligations have expected maturities that are predominately beyond ten years. Expected maturities will differ from contractual maturities because borrowers may have the right to prepay obligations.

Investment securities with the carrying amount of approximately $574,000 as of December 31, 2015 were pledged to secure the borrowing arrangement with Federal Reserve Bank described in Note G.

As of December 31, unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, are summarized as follows:

	Less than Twelve Months		Over Twelve Months		Total	
December 31, 2015:	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
Mortgage-Backed Securities:						
Agency	$ (77,514)	$ 4,750,090	$ -	$ -	$ (77,514)	$ 4,750,090
December 31, 2014:						
Mortgage-Backed Securities:						
Agency	$ (27,149)	$ 2,248,205	$ -	$ -	$ (27,149)	$ 2,248,205

The unrealized loss on the Bank's investment securities was caused by interest rate changes. Because the decline in market value is attributable to changes in interest rates and not credit quality and because the Bank does not intend to sell the securities and it is more likely than not that the Bank will be required to sell the securities before recovery of their amortized bases, which may be at maturity, the Bank does not consider the securities to be to other-than-temporarily impaired at December 31, 2015.

NOTE C - LOANS

The Bank's loan portfolio consists primarily of loans to borrowers within Southern California. Although the Bank seeks to avoid concentrations of loans to a single industry or based upon a single class of collateral, real estate and real estate associated businesses are among the principal industries in the Bank's market area and, as a result, the Bank's loan and collateral portfolios are, to some degree, concentrated in those industries. The Bank has pledged loans to secure lines of credit with the Federal Home Loan Bank as discussed in Note G.

The Bank also originates SBA loans for potential sale to institutional investors. A portion of the Bank's revenues are from origination of loans guaranteed by the Small Business Administration under its various programs and sale of the guaranteed portions of the loans. Funding for these loans depends on annual appropriations by the U.S. Congress. The Bank was servicing approximately $47,453,000 and $32,206,000 in SBA loans previously sold as of December 31, 2015 and 2014, respectively.

A summary of the changes in the allowance for loan losses follows as of December 31:

	2015	2014
Beginning Balance	$ 5,689,540	$ 5,143,735
Additions to the Allowance Charged to Expense	450,000	400,000
Recoveries on Loans Charged Off	99,191	188,277
	6,238,731	5,732,012
Less Loans Charged Off	(69,074)	(42,472)
Ending Balance	$ 6,169,657	$ 5,689,540

NOTE C - LOANS - Continued

The following table presents the activity in the allowance for loan losses for the year 2015 and the recorded investment in loans and impairment method as of December 31, 2015 by portfolio segment:

December 31, 2015	Real Estate	Commercial	Total
Allowance for Loan Losses:			
Beginning of Year	$ 4,473,108	$ 1,216,432	$ 5,689,540
Provisions	725,197	(275,197)	450,000
Recoveries	99,191	-	99,191
Charge-offs	-	(69,074)	(69,074)
End of Year	$ 5,297,496	$ 872,161	$ 6,169,657
Reserves:			
Specific	$ -	$ -	$ -
General	5,297,496	872,161	6,169,657
	$ 5,297,496	$ 872,161	$ 6,169,657
Loans Evaluated for Impairment:			
Individually	$ 10,515,047	$ 749,108	$ 11,264,155
Collectively	498,236,172	85,987,367	584,223,539
	$508,751,219	$ 86,736,475	$595,487,694

NOTE C - LOANS - Continued

The following table presents the activity in the allowance for loan losses for the year 2014 and the recorded investment in loans and impairment method as of December 31, 2014 by portfolio segment:

December 31, 2014	Real Estate	Commercial	Total
Allowance for Loan Losses:			
Beginning of Year	$ 3,499,636	$ 1,644,099	$ 5,143,735
Provisions	810,362	(410,362)	400,000
Recoveries	188,277	-	188,277
Charge-offs	(25,167)	(17,305)	(42,472)
End of Year	$ 4,473,108	$ 1,216,432	$ 5,689,540
Reserves:			
Specific	$ -	$ -	$ -
General	4,473,108	1,216,432	5,689,540
	$ 4,473,108	$ 1,216,432	$ 5,689,540
Loans Evaluated for Impairment:			
Individually	$ 9,609,462	$ 688,034	$ 10,297,496
Collectively	389,349,053	59,418,562	448,767,615
	$398,958,515	$ 60,106,596	$459,065,111

The Bank categorizes loans into risk categories based on relevant information about the ability of borrowers to service their debt such as current financial information, historical payment experience, collateral adequacy, credit documentation, and current economic trends, among other factors. The Bank analyzes loans individually by classifying the loans as to credit risk. This analysis typically includes larger, non-homogeneous loans such as commercial real estate and commercial and industrial loans. This analysis is performed on an ongoing basis as new information is obtained. The Bank uses the following definitions for risk ratings:

Pass - Loans classified as pass include loans not meeting the risk ratings defined below.

Special Mention - Loans classified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or of the institution's credit position at some future date.

Substandard - Loans classified as substandard are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the institution will sustain some loss if the deficiencies are not corrected.

NOTE C - LOANS - Continued

Impaired - A loan is considered impaired, when, based on current information and events, it is probable that the Bank will be unable to collect all amounts due according to the contractual terms of the loan agreement. Additionally, all loans classified as troubled debt restructurings are considered impaired.

The risk category of loans by class of loans was as follows as of December 31, 2015 and 2014:

December 31, 2015	Pass	Special Mention	Substandard	Impaired	Total
Real Estate:					
Construction and Land					
Development	$ 69,209,590	$ -	$ -	$ 56,938	$ 69,266,528
Residential Real Estate	129,700,059	-	-	1,104,988	130,805,047
Multi-Family	34,564,888	489,251	255,989	-	35,310,128
Commercial - Owner Occupied	39,403,171	-	4,071,204	4,258,874	47,733,249
Commercial - Other	220,155,155	114,937	271,928	5,094,247	225,636,267
Commercial	85,603,309	-	384,058	749,108	86,736,475
	$ 578,636,172	$ 604,188	$ 4,983,179	$ 11,264,155	$ 595,487,694

December 31, 2014	Pass	Special Mention	Substandard	Impaired	Total
Real Estate:					
Construction and Land					
Development	$ 47,039,511	$ -	$ -	$ 67,301	$ 47,106,812
Residential Real Estate	108,222,618	-	315,997	2,232,297	110,770,912
Multi-Family	31,546,869	-	259,729	278,973	32,085,571
Commercial - Owner Occupied	34,748,744	579,298	4,444,579	1,712,203	41,484,824
Commercial - Other	159,364,198	584,388	2,243,122	5,318,688	167,510,396
Commercial	58,595,298	497,604	325,660	688,034	60,106,596
	$ 439,517,238	$ 1,661,290	$ 7,589,087	$ 10,297,496	$ 459,065,111

NOTE C - LOANS - Continued

Past due and nonaccrual loans presented by loan class were as follows as of December 31, 2015 and 2014:

	30-89 Days Past Due	Over 90 Days Past Due	
December 31, 2015	Accruing		Nonaccrual
Real Estate:			
Construction and Land Development	$ -	$ -	$ 57,000
Residential Real Estate	-	-	1,105,000
Multi-Family	-	-	-
Commercial - Owner Occupied	773,000	-	4,259,000
Commercial - Other	-	-	5,094,000
Commercial	297,000	-	749,000
	$ 1,070,000	$ -	$ 11,264,000
December 31, 2014			
Real Estate:			
Construction and Land Development	$ -	$ -	$ 67,000
Residential Real Estate	316,000	-	2,233,000
Multi-Family	579,000	-	279,000
Commercial - Owner Occupied	887,000	-	1,712,000
Commercial - Other	-	-	5,319,000
Commercial	-	-	688,000
	$ 1,782,000	$ -	$ 10,298,000

NOTE C - LOANS - Continued

Information relating to individually impaired loans presented by class of loans was as follows as of December 31, 2015 and 2014:

	With no Allowance Recorded		With an Allowance Recorded		
December 31, 2015	Unpaid Principal Balance	Recorded Investment	Unpaid Principal Balance	Recorded Investment	Related Allowance
Real Estate:					
Construction and Land					
Development	$ 119,068	$ 56,938	$ -	$ -	$ -
Residential Real Estate	1,167,071	1,104,988	-	-	-
Commercial - Owner Occupied	4,975,651	4,258,874	-	-	-
Commercial - Other	7,184,170	5,094,247	-	-	
Commercial	938,928	749,108	-	-	-
	$ 14,384,888	$ 11,264,155	$ -	$ -	$ -
December 31, 2014					
Real Estate:					
Construction and Land					
Development	$ 119,125	$ 67,301	$ -	$ -	$ -
Residential Real Estate	2,507,243	2,232,297	-	-	-
Multi-Family	278,973	278,973	-	-	-
Commercial - Owner Occupied	2,701,387	1,712,203	-	-	-
Commercial - Other	7,184,563	5,318,688	-	-	
Commercial	787,085	688,034	-	-	-
	$ 13,578,376	$ 10,297,496	$ -	$ -	$ -

NOTE C - LOANS - Continued

Information relating to the average recorded investment and interest income recognized by class for individually impaired loans follows for the years 2015 and 2014:

	2015		2014	
	Average Recorded Investment	Interest Income	Average Recorded Investment	Interest Income
Real Estate:				
Construction and Land Development	$ 67,000	$ -	$ 71,000	$ -
Residential Real Estate	893,000	-	2,262,000	-
Multi-Family	-	-	263,000	-
Commercial - Owner Occupied	1,019,000	-	1,749,000	-
Commercial - Other	6,270,000	-	10,253,000	-
Commercial	574,000	-	782,000	-
	$ 8,823,000	$ -	$15,380,000	$ -

The Bank had nine and twelve loans identified as troubled debt restructurings ("TDR's") at December 31, 2015 and 2014, respectively. TDR's and related specific reserves totaled approximately $2,617,000 and $0 and $4,359,000 and $0 at December 31, 2015 and 2014, respectively. The Bank has not committed to lend any additional amounts to customers with outstanding loans that are classified as TDR's as of December 31, 2015 and 2014. The Bank had no new troubled debt restructurings during 2015.

During the year ended December 31, 2014, loan modifications resulting in TDR status generally included one or a combination of the following: reduction in interest rates to remaining maturity; extensions of the maturity date at a stated rate of interest lower than the current market rate for new debt with similar risk for one year, principal payment deferments for one year, reduced principal payments for two years and a signed forbearance agreement with a payment plan.

NOTE C - LOANS - Continued

The following table presents loans by class modified as TDR's that occurred during the year ended December 31, 2014:

December 31, 2014			
Commercial Real Estate:			
Construction and Land Development	1	$ 67,301	$ 67,301
Other	1	499,834	499,834
	2	$ 567,135	$ 567,135

The determination of the allowance for loan losses related to TDR's depends on the collectability of principal and interest, according to the repayment terms. The TDR's that occurred in 2015 and 2014 did not materially change the estimated collectability and therefore did not materially change the related allowance for loan loss amounts.

There were no defaults on any TDR's in 2015 or 2014 where the modification had occurred in the twelve months prior to the date of default.

NOTE D - PREMISES AND EQUIPMENT

A summary of premises and equipment as of December 31 follows:

	2015	2014
Leasehold Improvements	$ 1,718,422	$ 1,506,656
Furniture, Fixtures, and Equipment	431,846	429,541
Computer Equipment	245,029	235,911
	2,395,297	2,172,108
Less Accumulated Depreciation and Amortization	(1,971,643)	(1,834,340)
	$ 423,654	$ 337,768

Total depreciation expense was approximately $168,000 and $187,000, respectively, for the years ended December 31, 2015 and 2014.

The Bank has entered into operating leases for its branches and administrative offices, which expire at various dates through 2025 with the Bank committing to renewal periods for one leased location through 2040. These leases include provision for periodic rent increases as well as payment by the lessee of certain operating expenses.

At December 31, 2015, the future lease rental payable under noncancellable operating lease commitments for the Bank's banking offices was as follows:

2016	$ 840,009
2017	792,920
2018	771,291
2019	482,632
2020	248,731
Thereafter	6,587,390
Total	$ 9,722,973

The minimum rental payments shown above are given for the existing lease obligations and are not a forecast of future rental expense. Total rental expense was $693,812 and $678,551 for the years ended December 31, 2015 and 2014, respectively.

NOTE E - CORE DEPOSIT INTANGIBLE

The gross carrying amount and accumulated amortization for the core deposit intangible was $294,000 and $191,099 as of December 31, 2015, resulting in a net carrying value of $102,901. Amortization expense was $28,999 and $33,000 for 2015 and 2014, respectively.

The estimated amortization expense for each of the next scheduled years is as follows:

2016	$ 25,600
2017	22,600
2018	20,000
2019	15,500
2020	19,201
Total	$ 102,901

NOTE F - DEPOSITS

At December 31, 2015, the scheduled maturities of time deposits were as follows:

Due in One Year or Less	$ 232,182,379
Due in One to Three Years	144,679,762
Due in Over Three Years	90,000
	$ 376,952,141

Time deposits that equal or exceed the FDIC insurance limit of $250,000 amounted to $96,889,848 and $94,971,671 as of December 31, 2015 and 2014, respectively.

NOTE G - BORROWING ARRANGEMENTS

The Bank may borrow up to $20 million overnight on an unsecured basis from its primary correspondent banks. In addition, the Bank may borrow up to approximately $183 million from the Federal Home Loan Bank of San Francisco ("FHLB") collateralized by loans with an aggregate carrying value of approximately $283 million subject to fulfilling other conditions of the credit facility. At December 31, 2015, the Bank had no outstanding Federal Home Loan Bank advances.

The Bank also has borrowing capacity of approximately $531,000 with the Federal Reserve Bank discount window. The Bank has pledged investment securities of approximately $574,000 as collateral for this line. There were no borrowings under this arrangement as of December 31, 2015.

NOTE H - INCOME TAXES

The asset and liability method is used in accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Income tax expense consists of the following:

	2015	2014
Current Expense:		
Federal	$ 5,494,135	$ 5,428,365
State	1,915,086	1,690,931
Deferred Expense (Benefit)	(129,005)	(205,626)
Total Income Tax Expense	$ 7,280,216	$ 6,913,670

A comparison of the federal statutory income tax rates to the Bank's effective income tax rates at December 31 follows:

	2015		2014	
	Amount	Rate	Amount	Rate
Statutory Federal Tax	$ 5,948,574	34.0%	$ 5,724,535	34.0%
State Franchise Tax, Net of Federal Benefit	1,252,215	7.2%	1,212,621	7.2%
Other Items, Net	79,427	0.4%	(23,486)	(0.1%)
Actual Tax Expense	$ 7,280,216	41.6%	$ 6,913,670	41.1%

NOTE H - INCOME TAXES - Continued

The following is a summary of the components of the net deferred tax asset (liability) accounts recognized in the accompanying statements of financial condition at December 31:

	2015	2014
Deferred Tax Assets:		
Pre-Opening Expenses	$ 46,169	$ 45,837
Allowance for Loan Losses Due to Tax Limitations	2,539,085	2,341,496
Depreciation Differences	252,518	216,086
Stock-Based Compensation	193,220	198,442
Deferred Compensation	588,710	383,705
Nonaccrual Loan Interest	754,089	795,471
California Franchise Tax	644,191	574,917
Net Operating Loss Carryover	1,403,112	1,675,760
Acquisition Accounting Adjustments	899,391	1,040,552
Other	321,461	192,249
	7,641,946	7,464,515
Deferred Tax Liabilities:		
Deferred Gain on Building	(173,164)	(196,968)
Deductible Prepaid Items	(122,350)	(59,111)
Available-For-Sale Securities	(19,116)	(26,604)
Capitalized Loan Costs	(377,928)	(386,153)
Other	(261,198)	(243,982)
	(953,756)	(912,818)
Net Deferred Tax Assets	$ 6,688,190	$ 6,551,697

Unrecognized tax benefits are not expected to significantly increase or decrease within the next twelve months.

The Bank is subject to Federal income tax and California franchise tax. Federal income tax returns for the years ended December 31, 2014, 2013 and 2012 are open to audit by the Federal authorities and California returns for the years ended December 31, 2014, 2013, 2012 and 2011 are open to audit by State authorities.

As of December 31, 2015, the Bank has Federal and State net operating loss carryforwards of approximately \$3,542,000 and \$2,779,000, respectively, which may begin to expire in 2024 for Federal and 2016 for California Franchise Tax purposes. These net operating loss carryforwards were acquired as part of the acquisition of American Premier Bank and are subject to an annual limitation by Section 382 of the Internal Revenue Code. The amount of the annual limitation for Federal and California Franchise Tax purposes is \$662,501. It is anticipated that these carryforwards, both Federal and State, will be utilized prior to their expiration.

FIRST GENERAL BANK

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE I - OTHER EXPENSES

Other expenses as of December 31 are comprised of the following:

	2015	2014
Data Processing	$ 297,303	$ 261,127
Marketing and Business Promotion	188,204	174,402
Professional Fees	363,719	472,207
Office Expenses	299,071	290,438
Travel Expenses	665	32,582
Insurance	491,106	546,723
Director Fees and Expenses	1,128,365	1,046,049
OREO Expenses	-	4,865
Other Expenses	551,218	468,871
	$ 3,319,651	$ 3,297,264

NOTE J - RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Bank has granted loans to certain directors and the companies with which they are associated. The balance of these loans outstanding at December 31, 2015 and 2014 amounted to approximately $6,525,000 and $7,684,000, respectively.

Deposits from certain directors, officers and their related interests with which they are associated held by the Bank at December 31, 2015 and 2014 amounted to approximately $31,000,000 and $42,040,000, respectively.

NOTE K - COMMITMENTS

In the ordinary course of business, the Bank enters into financial commitments to meet the financing needs of its customers. These financial commitments include commitments to extend credit and standby letters of credit. Those instruments involve to varying degrees, elements of credit and interest rate risk not recognized in the Bank's financial statements.

The Bank's exposure to loan loss in the event of nonperformance on commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The Bank uses the same credit policies in making commitments as it does for loans reflected in the financial statements.

NOTE K - COMMITMENTS - Continued

As of December 31, 2015 and 2014, the Bank had the following outstanding financial commitments whose contractual amount represents credit risk:

	2015	2014
Commitments to Extend Credit	$117,412,000	$104,672,000
Letters of Credit	757,000	245,000
	$118,169,000	$104,917,000

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Since many of the commitments are expected to expire without being drawn upon, the total amounts do not necessarily represent future cash requirements. The Bank evaluates each client's credit worthiness on a case-by-case basis. The amount of collateral obtained if deemed necessary by the Bank is based on management's credit evaluation of the customer. The majority of the Bank's commitments to extend credit and standby letters of credit are secured by real estate.

The Bank has entered into Supplemental Executive Retirement Plan ("SERP") agreements approved in 2014 for selected executive management and employees of the Bank. Under the SERP agreements, the Bank has agreed to pay each participant, or their beneficiary, a designated monthly amount over a ten year period, beginning with the individual’s termination of service. As of December 31, 2015, $353,767 has been accrued in conjunction with these agreements. The expense incurred for the deferred compensation was $304,846 for the year ended December 31, 2015. The Bank is the beneficiary of life insurance policies that have been purchased during 2014 as a method of financing the benefits under the agreements. As of December 31, 2015, the cash surrender value of these insurance policies was $5,197,172.

NOTE L - EMPLOYEE BENEFIT PLANS

The Bank has a 401(k) retirement plan which is generally available to all employees age 21 and older with one year of service. The Bank matches 50% of the employee contributions up to 6% of the employee's annual compensation. Employer contributions are vested to participants over five years. The Bank made contributions in the amount of $91,058 and $88,119 during 2015 and 2014, respectively.

NOTE M - STOCK OPTION PLAN

Under the terms of the Amended 2005 Stock Option Plan, officers and key employees may be granted both nonqualified and incentive stock options and directors and other consultants, who are not also an officer or employee, may be granted nonqualified stock options. The Plan provides for options to purchase up to a maximum of 1,001,954 shares of common stock at a price not less than 100% of the fair market value of the stock on the date of grant. Options may vest over a period of three to five years. Stock options expire no later than ten years from the date of the grant and generally vest over three years. As of May 20, 2015, this Plan expired. Any shares that become available for reuse due to forfeiture, expiration, cancellation, or the like, shall become available for delivery under the new plan.

The shareholders of the Bank approved the 2015 Long-term Incentive Plan (“2015 Plan”) on May 20, 2015. The 2015 Plan replaces the Amended 2005 Stock Option Plan. Under the terms of the 2015 Plan, employees, directors and service providers of the Bank may be granted several types of equity awards including stock options and stock awards. The 2015 Plan provides for maximum number of shares that may be delivered upon the plan of 612,854 plus any shares that are covered under a prior plan that otherwise would become available for reuse. The exercise price of each stock option shall not be less than 100% of the fair market value of the stock on the date of grant. Awards may vest over a period of three to five years. Stock options expire no later than ten years from the date of the grant. The 2015 Plan provides for accelerated vesting if there is a change of control. The 2015 Plan expires in 2025.

The Bank recognized stock-based compensation cost of $243,587 and $155,762 in 2015 and 2014, respectively. The Bank also recognized income tax benefits related to stock-based compensation of approximately $61,000 and $50,000 in 2015 and 2014, respectively.

Fair value of each stock option granted was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2015	2014
Risk Free Interest Rate	1.87%	1.77%
Estimated Average Life	6 years	6 Years
Expected Dividend Rates	2.37%	1.88%
Expected Stock Volatility	35.00%	25.00%
Weighted-Average Fair Value	$ 4.22	$ 4.07

Since the Bank has a limited amount of historical stock activity the expected volatility is based on the historical volatility of similar banks that have a longer trading history. The expected term represents the estimated average period of time that the options remain outstanding. Since the Bank does not have sufficient historical data on the exercise of stock options, the expected term is based on the "simplified" method that measures the expected term as the average of the vesting period and the contractual term. The risk free rate of return reflects the grant date interest rate offered for zero coupon U.S. Treasury bonds over the expected term of the options.

NOTE M - STOCK OPTION PLAN - Continued

A summary of the status of the Bank's stock option plan as of December 31, 2015 and changes during the year then ended is presented below:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term
Outstanding at Beginning of Year	477,675	$ 13.36	
Granted	74,000	$ 15.11	
Exercised	(129,000)	$ 10.30	
Forfeited	(800)	$ 10.00	
Outstanding at End of Year	421,875	$ 15.66	6.5 years
Options Exercisable	276,875	$ 13.43	5.1 years

As of December 31, 2015, there was $597,100 of total unrecognized compensation cost related to the outstanding stock options that will be recognized over a weighted-average period of 1.7 years. The intrinsic value of stock options exercised in 2015 was approximately $1,949,000.

NOTE N - FAIR VALUE MEASUREMENTS

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value:

Securities: The fair values of securities available for sale are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1) or matrix pricing, which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted prices for specific securities but rather by relying on the securities' relationship to other benchmark quoted securities (Level 2).

NOTE N - FAIR VALUE MEASUREMENTS - Continued

The following table provides the hierarchy and fair value for each major category of assets and liabilities measured at fair value at December 31, 2015 and 2014:

	Fair Value Measurements			
December 31, 2015	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis				
Securities Available for Sale	$ -	$ 573,745	$ -	$ 573,745
December 31, 2014				
Assets measured at fair value on a recurring basis				
Securities Available for Sale	$ -	$ 735,031	$ -	$ 735,031

NOTE O - REGULATORY MATTERS

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory - and possibly additional discretionary - actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

In July, 2013, the federal bank regulatory agencies approved the final rules implementing the Basel Committee on Banking Supervision's capital guidelines for U.S. banks. The new rules became effective on January 1, 2015, with certain of the requirements phased-in over a multi-year schedule. Under the rules, minimum requirements increased for both the quantity and quality of capital held by the Bank. The rules include a new common equity Tier 1 ("CET1") capital to risk-weighted assets ratio with minimums for capital adequacy and prompt corrective action purposes of 4.5% and 6.5%, respectively. The minimum Tier 1 capital to risk-weighted assets ratio was raised from 4.0% to 6.0% under the capital adequacy framework and from 6.0% to 8.0% to be well-capitalized under the prompt corrective action framework. The net unrealized gain or loss on securities available for sale is not included in computing regulatory capital. Capital amounts and ratios for December 31, 2014 are calculated using Basel I rules.

In addition, the rules introduced the concept of a "conservation buffer" of 2.5% applicable to the three capital adequacy risk-weighted asset ratios (CET1, Tier 1 and Total). The conservation buffer will be phased-in on a pro rata basis over a four year period beginning in 2016. If the capital adequacy minimum ratios plus the phased-in conservation buffer amount exceed actual risk-weighted capital ratios, then dividends, share buybacks and discretionary bonuses to executives could be limited in amount. Based on the level of actual risk-weighted capital ratios at December 31, 2015, the Bank does not expect to be limited by the provisions of the conservation buffer when it becomes effective in 2016.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table below) of total, Tier 1 and CET1 capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital (as defined) to average assets (as defined). Management believes, as of December 31, 2015, that the Bank meets all capital adequacy requirements to which it is subject.

NOTE O - REGULATORY MATTERS - Continued

As of December 31, 2015, the most recent notification from the FDIC categorized the Bank as well-capitalized under the regulatory framework for prompt corrective action (there are no conditions or events since that notification that management believes have changed the Bank's category). To be categorized as well-capitalized, the Bank must maintain minimum ratios as set forth in the table below. The following table also sets forth the Bank's actual capital amounts and ratios (dollar amounts in thousands):

			Amount of Capital Required			
	Actual		For Capital Adequacy Purposes		To Be Well-Capitalized Under Prompt Corrective Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2015:						
Total Capital (to Risk-Weighted Assets)	$85,560	13.8%	$49,659	8.0%	$62,074	10.0%
Tier 1 Capital (to Risk-Weighted Assets)	$79,310	12.8%	$37,244	6.0%	$49,659	8.0%
CET1 Capital (to Risk-Weighted Assets)	$79,310	12.8%	$27,933	4.5%	$40,348	6.5%
Tier 1 Capital (to Average Assets)	$79,310	11.2%	$28,298	4.0%	$35,372	5.0%
As of December 31, 2014:						
Total Capital (to Risk-Weighted Assets)	$75,409	15.5%	$38,972	8.0%	$48,715	10.0%
Tier 1 Capital (to Risk-Weighted Assets)	$69,639	14.3%	$19,486	4.0%	$29,229	6.0%
Tier 1 Capital (to Average Assets)	$69,639	12.3%	$22,725	4.0%	$28,406	5.0%

The California Financial Code provides that a bank may not make a cash distribution to its shareholders in excess of the lesser of the bank's undivided profits or the bank's net income for its last three fiscal years less the amount of any distribution made by the bank's shareholders during the same period. In addition, the Bank may not pay dividends that would result in its capital levels being reduced below the minimum requirements shown above.

Corporate Profile

Your Path to Success
攜手大通, 邁向成功

Founded in October 2005, First General Bank (FGB) is a community bank focused on providing value-added products and services to meet the financial needs of our customers. We are committed to reaching out and providing access to capital/financial services to our community, including those who are unserved/underserved, and lending to minorities. Our services are designed to create sustainable impact in our community, maximize shareholder value and provide a positive working environment for our employees. Most of our shareholders are established and well-respected members of the community with significant ties to the community. They have a first-hand understanding of the living and business environment and banking needs of the community, allowing the Bank to provide valuable and quality banking services to consumer and business customers, such as:

- Various types of depository accounts to meet different account needs
  - Checking, Interest-Checking, Business Checking
  - Savings, Money Market Accounts
  - Time Certificate of Deposit Accounts
- Cash Management and Online Services
  - Online Banking
  - ACH Direct Deposit, Auto-Debit, Credit Origination
  - Bill Pay
  - Wire Transfers
  - Remote Deposit Capture
  - ATM/debit cards
  - eStatement
- SBA loans
  - Land and Building acquisition (for owner-use property)
  - Business Acquisition / General / Export Working Capital Line
  - Equipment, Machinery and Inventory Purchase
  - Line of Credit for Contractors / Builders
  - Commercial Building Construction
- International Trade Financing and Services
  - Bill Discount / Foreign Currency Outgoing Remittance
  - LC Issuance /Advising & Confirmation/Negotiation
  - Import/Export Documentary Collection
- Commercial Loans
  - Line of Credit / Export & Import / Fixed Assets Term Loan
- Commercial Real Estate & Construction Loans
  - Track Home Development / Construction
  - Offices, Shopping Centers, Industrial Warehouses, Hotels / Motels
  - Mixed Used Property / Apartment
- Home Equity Line of Credit

Operating on the strategic advantage of knowing the community, and the commitment to superior customer service, the Bank has earned the trust and support from its customers and recognition from industry groups as one of the leading banks in its class, in terms of safety and soundness, growth and profitability.

As of December 31, 2015, First General Bank's Total Assets exceeded $720 million, with four branch locations strategically spanning from the Greater San Gabriel Valley to Orange County, California.

Member FDIC

Corporate Information

Board of Directors

Jackson Yang
Chairman of the Board, First General Bank
Chairman, Seville Classics, Inc.

Cliff J. Hsu
President & Chief Executive Officer, First General Bank

Dr. Lawrence Cheng
Dentist/Owner, Vail Ranch Family Dentistry,
Smile Haven Dental

Dr. Joseph Chiang
Dentist, Children's Dental Care Center

Edward Hsieh
President, KFP Capital, LLC

Jeff Lee
CEO, Nevis Capital, LLC

Harry Leu
Principal, HB, LLC

Johnny Lin
President, Long Win Inc.

Kansei Sai
President, Yanlot Development Corporation

Hsinya Shen
Attorney

Karena Sujo
CEO, Safco Realty and Investment, Inc.

John Sun
President, Best Restaurant Supply

Chris Wen
President, Walton Realty Inc.

Executive Officers

Cliff J. Hsu
President & Chief Executive Officer

Jeanette Lin
Executive Vice President & Chief Credit Officer

Wilson Mach
Executive Vice President & Chief Operating Officer

Joe Teo
Executive Vice President & Chief Financial Officer

Bank Offices

Corporate Headquarters
1744 S. Nogales Street, Rowland Heights, CA 91748
Tel: (626) 820-1099 • Fax: (626) 820-1399

Administration Office
1725 S. Nogales Street, #101, Rowland Heights, CA 91748
Tel: (626) 363-8878

International Banking
1744 S. Nogales Street, Rowland Heights, CA 91748
Tel: (626) 820-1234 • Fax: (626) 820-1258

SBA Lending
1744 S. Nogales Street, Rowland Heights, CA 91748
Tel: (626) 820-1234

Arcadia Branch
1127 S. Baldwin Avenue, Arcadia, CA 91007
Tel: (626) 461-0288 • Fax: (949) 461-0299

Irvine Branch
5404-C Walnut Avenue, Irvine, CA 92604
Tel: (949) 769-8888 • Fax: (949) 769-8885

Rowland Heights Main Branch
1744 S. Nogales Street, Rowland Heights, CA 91748
Tel: (626) 820-1234 • Fax: (626) 820-1299

San Gabriel Branch
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Future Headquarters (Mid 2016 RH)

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