



February 16, 2016

**Supervisory Condition Letter #2016-02**  
**March 2016**

Board of Directors  
First National Bank of Southern California  
3727 Arlington Ave.  
Riverside, CA 92506

**Subject: Response to Significant Deviation Request**

Dear Members of the Board:

This letter communicates an evaluation of your May 19, 2015 request for no supervisory objection to significantly deviate from First National Bank of Southern California's ("Bank") Change in Control business plan dated December 2013, as revised further in your letter dated February 5, 2016. We have reviewed the revised Business and Strategic Plan for 2015-2017 projections attached to your February 5 letter ("revised projections"), which reflect adjustments to growth, commercial real estate concentration, and capital projections. The OCC hereby provides its supervisory non-objection for the Bank to significantly deviate from its business plan dated December 2013 provided the Board of Directors approves the revised projections and the following condition is met:

Prior to making any future changes that will cause, result or bring about a significant deviation or change (collectively, a "significant deviation") to the Business and Strategic Plan for 2015-2017 and revised projections, the Bank shall give the Assistant Deputy Comptroller at least sixty (60) days advance, written notice of its intent to make such changes, and must receive the Assistant Deputy Comptroller's prior written determination of no supervisory objection to such action prior to making such a change. This condition shall remain in effect through December 31, 2017.

Our non-objection covers the projections through December 31, 2017, only.

The condition of approval above is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. Accordingly, the condition is enforceable under 12 U.S.C. § 1818. The Bank may seek termination of the above condition from the OCC at any time, which relief may be granted by the OCC in its sole judgment.

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This conditional approval, and the activities and communications by OCC employees in connection with the filings, do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations. The OCC may modify, suspend, or rescind this conditional approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

**Future Activities**

We will continue to monitor your institution through our periodic monitoring activities and regular communication with management. If you have any questions regarding this letter, please contact National Bank Examiner Andrew Meitzen at (657) 205-3476, or me at (714) 796-4700.

Sincerely,

/s

Lawrence D. Carter  
Assistant Deputy Comptroller