

Executive Officer and Director Compensation Survey

June 30, 2007

This year, 141 out of 280 banks participated in the Executive Officer and Director Compensation Survey, a participation rate of 50.4% up slightly from the 49.3% rate in 2006. Most of the increase was in the \$100 to \$249 million category, which went from 38 to 49 participants, while the number of participants in the remaining categories stayed about the same as last year.

Chief Executive Officer

Since 2004, CEO salaries in all categories showed strong, double-digit increases. Salaries were up by 25% in the \$50 million to \$99 million and the over \$1 billion asset tiers; by 18.3% in the \$500 million to \$999 million asset tier; by 14.6% in the \$100 to \$249 million category; by 12.5% in the \$250 to \$499 million asset tier and by 10% in the under \$50 million asset tier.

Chief Financial Officer

CFO salaries in all but the largest asset size tier showed double-digit growth over the past three years.

Leading was the under \$50 million group at 28.8% followed by the \$50 to \$99 million asset size tier with a gain of 23.7% and the \$500 million to \$999 million asset size tier with a gain of 16.9%. Both the \$100 million to \$249 million and \$250 million to \$499 million size groups were up 13%, while the \$500 million to \$1 billion asset size tier was up 6.1%

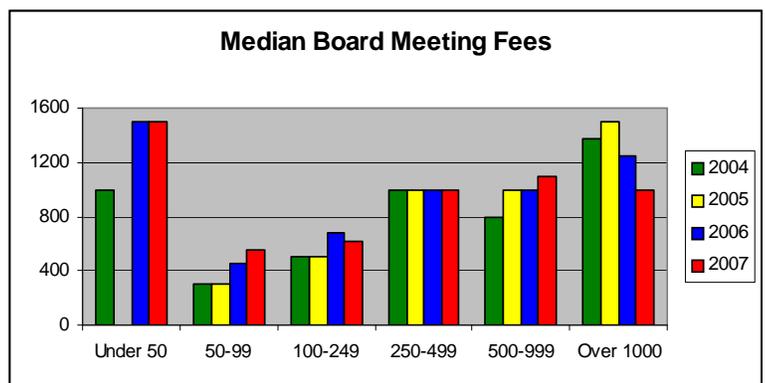
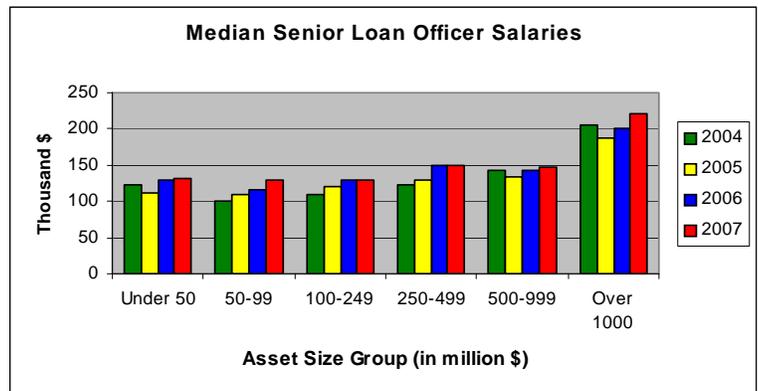
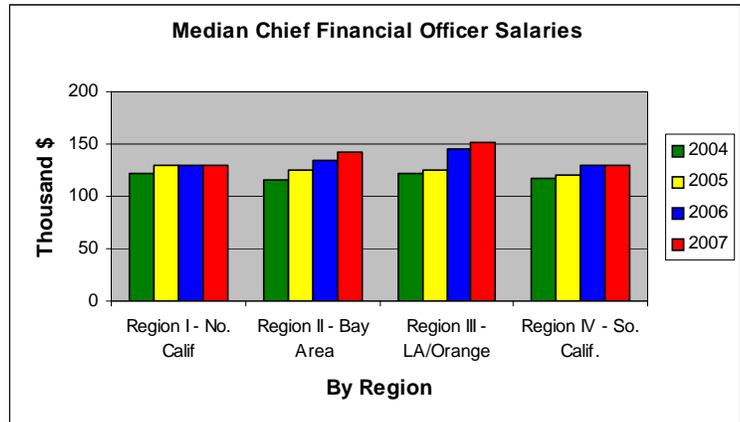
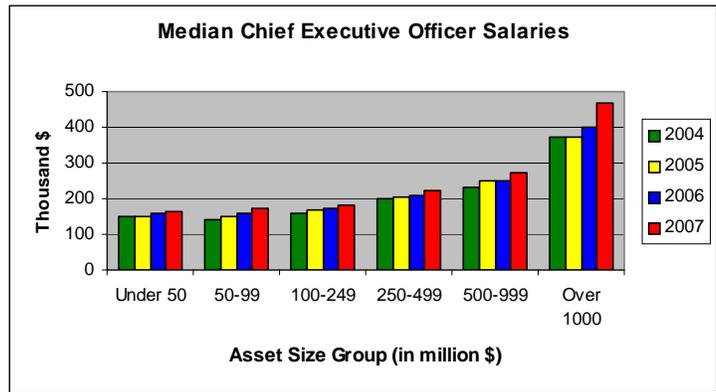
Senior Loan Officer

Median SLO salaries showed the strongest overall growth since 2004 in the middle asset size tiers. The \$50 million to \$99 million asset group was up 30%. Next was the \$250 to \$499 million asset tier with a gain of 22.1% followed by the \$100 million to \$249 million asset size category with a gain of 18.2%. The smallest and largest asset tiers registered gains of just under 7% while salaries in the \$500 million to \$999 million group were up just 2.8% for the period.

DIRECTORS' INFORMATION

Regular Board Meeting

Among banks that paid fees to board members, median board committee fees were up 83% over the past three years among banks in the \$50 million to \$99 million asset category. Board fees for banks in the under \$50 million group were up 50% followed by banks in the \$500 million to \$999 million asset size group with a gain of 37.5%. Next were board fees in the \$100 million to \$249 million asset tier with a gain of 22.5%. Board fees in the \$250 to \$499 million asset tier were flat, while fees in the over \$1 billion size group were down 27.3%



Board Committee Fees

In 2003, the special board meeting and board committee categories were discontinued and new categories were introduced for the audit, compensation, credit and investment committees. In addition, the members' and chairmen's fees were broken out.

Comparisons between committees and assets size groups are presented on the accompanying tables.

REGIONAL DATA

The median salary in Region III (LA/Orange) was first in the CEO and CFO categories, followed by Region II (Bay Area) in second place. Regions II and III were tied in the SLO category. Region I (No. Calif.) finished second in the SLO category and third in the CEO category while Region IV (So. Calif.) was third in the SLO category and fourth in the CEO category. Regions I and IV tied for third place in the CFO category.

Possible factors that influence change are increased reliance on non-cash benefits, local and national economic conditions, position turnover, different job duties and changes in the makeup of the asset size group population.

We express our appreciation to the participating banks and hope that this information will prove useful. Participating banks automatically receive the full fifteen-page survey results that include information about bonuses, stock options and many other officer and director fringe benefits.

Please contact me at (415) 263-8559 or by email at pcarroll@dfi.ca.gov with any questions or comments.



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