

## CDCI ANNUAL USE OF CAPITAL SURVEY - 2012



## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

PGB HOLDINGS, INC. &amp; PACIFIC GLOBAL BANK

Person to be contacted regarding this report:	SYLVIA CHUNG	RSSD: (For Bank Holding Companies)	3082342
UST Sequence Number:	451	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	3,000,000	FDIC Certificate Number: (For Depository Institutions)	34089
CPP/CDCI Funds Repaid to Date:	0	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	Feb 6, 2009	City:	CHICAGO
Date Repaid <sup>1</sup> :	N/A	State:	Illinois

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	THE BANK IS ABLE TO CONTINUE LENDING DESPITE THE ECONOMIC DOWNTURN FOR THE LAST FEW YEARS. THE BANK IS ALSO ABLE TO WORK OUT THE NON-PERFORMING LOANS WITH BORROWERS.
<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	MOST OF THE INCREASES ARE FROM RESIDENTIAL MORTGAGE LOANS.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	THE BANK HAS TO PUT IN ADDITIONAL RESERVE OF \$3.25 MILLION FOR NON-PERFORMING ASSETS
<input type="checkbox"/>	Reduce borrowings	
<input checked="" type="checkbox"/>	Increase charge-offs	THE BANK CHARGED-OFF \$3.8 MILLION IN 2012. THE MARKET VALUE OF THE LOANS CONTINUED TO DROP IN 2012, SO THE BANK NEED TO TAKE DOWN THE BOOK VALUE TO REFLECT THE ADJUSTED VALUE OF PROPERTIES.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	WITH THE CAPITAL INJECTION THE BANK WAS ABLE TO MAINTAIN ITS CAPITAL RATIO TO WELL CAPITALIZED.

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

BECAUSE OF THE CAPITAL INFUSION OF CDCI FUNDS, THE BANK CAN AVOID FORECLOSURES OF PROPERTIES. THE BANK HAS THE ABILITY TO WORK OUT WITH BORROWERS BY RESTRUCTURING THEIR LOANS TO THE TERMS THEY CAN AFFORD.

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

WITHOUT THE CAPITAL INFUSION OF CDCI FUNDS, THE BANK MAY NOT BE ABLE TO MAINTAIN ITS CAPITAL RATIO TO WELL CAPITALIZED.

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.

THE BANK CAN CONTINUE ITS NORMAL OPERATION WITH THE CAPITAL INFUSION OF CDCI FUNDS.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.