



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

First Choice Bank

| | |
|---|----------------|
| Person to be contacted regarding this report: | Yvonne L. Chen |
| UST Sequence Number: | 649 |
| CPP Funds Received: | 5,036,000 |
| CPP Funds Repaid to Date: | 0 |
| Date Funded (first funding): | Feb 13, 2009 |
| Date Repaid ¹ : | N/A |

| | |
|--|------------|
| RSSD: (For Bank Holding Companies) | |
| Holding Company Docket Number: (For Thrift Holding Companies) | |
| FDIC Certificate Number: (For Depository Institutions) | 57966 |
| City: | Cerritos |
| State: | California |

¹If 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). To answer that question, Treasury is seeking responses that describe generally how the CPP 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 investment was deployed or how many CPP 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 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 funds were outstanding).

| | |
|--|--|
| <input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred. | To increase lending limit of secured loans to \$3.6 million from \$3.1 million in 4th quarter 2008. It helps support the bank's lending activities by continuing lending or renewing existing loans to credit worthy customers, lending increased by 20% over 2008. |
| <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.). | Primarily commercial real estate and commercial & industrial loans |
| <input checked="" type="checkbox"/> Increase securities purchased (ABS, MBS, etc.). | To increase investment in relatively safe and liquid securities, primarily Government Sponsored Enterprise (GSE) agency debts, and mortgage-backed securities, which would provide liquidity / contingency liquidity and more funding sources by pledging to secure borrowing lines. |

| | | |
|-------------------------------------|--|---|
| <input checked="" type="checkbox"/> | Make other investments | To expand the bank's operation by opening new branch to gather more deposits that, in turn, would facilitate more lending activities, investment activities, and strengthen the bank's liquidity position |
| <input checked="" type="checkbox"/> | Increase reserves for non-performing assets | To increase reserves for non-performing assets from 1.27% of total loans at year-end 2008 to 1.86% of total loans at year-end 2009, in line with peer group banks. |
| <input type="checkbox"/> | Reduce borrowings | |
| <input type="checkbox"/> | Increase charge-offs | |
| <input type="checkbox"/> | Purchase another financial institution or purchase assets from another financial institution | |
| <input type="checkbox"/> | Held as non-leveraged increase to total capital | |

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

The Bank will not be able to grow more lending activities without capital infusion of CPP funds.

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

The Bank's total equity capital increased to \$15.6 million in 4th quarter 2009 from \$11.7 million in 4th quarter 2008. By adding the TARP capital to our existing capital base, the bank could effectively deliver on our mission of growing its balance sheet by providing retail and commercial depositors and borrowers in our community financial products and services that serve their businesses.

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