



**ANNUAL USE OF CAPITAL SURVEY - 2009**

**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

NCAL Bancorp
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Person to be contacted regarding this report:	Richard Ritter
UST Sequence Number:	301
CPP Funds Received:	10,000,000
CPP Funds Repaid to Date:	0
Date Funded (first funding):	Dec 31, 2008
Date Repaid <sup>1</sup> :	N/A

RSSD: (For Bank Holding Companies)	2925406
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	24108
City:	Los Angeles
State:	California

<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). 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 type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	
<input 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.).	
<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 Holding Company invested the funds in the Bank which allowed increasing loan loss and other real estate owned reserves while still remaining well-capitalized and able to support our existing borrowers.
<input checked="" type="checkbox"/>	Reduce borrowings	The funds enable the Bank to reduce large and expensive time deposits.
<input checked="" type="checkbox"/>	Increase charge-offs	As stated above, the funds allowed increased reserves and charge-offs without dissipating capital.
<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?

Without the funds the Bank would have been forced to reduce a significant amount of assets, including loans, to keep capital ratios within regulatory guidelines. In addition the Bank would have had to seek capital from other sources which was very expensive and not readily available.

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

The funds enable the Bank to to continue to support its customer base without undue interruption.

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

The Bank was able continue business without having to make any major change in asset capital levels.

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.