

CPP ANNUAL USE OF CAPITAL SURVEY - 2010



NAME OF INSTITUTION
(Include Holding Company Where Applicable)

First PacTrust Bancorp, Inc.

Point of Contact:	Gregory Mitchell	RSSD: (For Bank Holding Companies)	0
UST Sequence Number:	70	Docket Number: (For Thrift Holding Companies)	15953
CPP/CDCI Funds Received:	19,300,000	FDIC Certificate Number: (For Depository Institutions)	35498
CPP/CDCI Funds Repaid to Date:	19,300,000	Credit Union Charter Number: (For Credit Unions)	
Date Funded (first funding):	November 21, 2008	City:	Chula Vista
Date Repaid ¹ :	12/15/2010	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) 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).

Increase lending or reduce lending less than otherwise would have occurred.

Bank was able to continue to lend (albeit at reduced levels)

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.).

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Increase securities purchased (ABS, MBS, etc.).

Bank increased securities purchases with focus on MBS Re-Remics. This created a small amount of liquidity in otherwise illiquid market.

Make other investments.

Increase reserves for non-performing assets.

Reduce borrowings.

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Increase charge-offs.

Empty response box for 'Increase charge-offs.'

Purchase another financial institution or purchase assets from another financial institution.

Empty response box for 'Purchase another financial institution or purchase assets from another financial institution.'

Held as non-leveraged increase to total capital.

Bank used CPP proceeds to fortify capital accounts against unexpected losses from mortgage meltdown. Material losses were not observed in the Bank's SFR portfolio.

Empty response box for 'Held as non-leveraged increase to total capital.'

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

CPP provided the Holding Company and subsidiary thrift with a "buffer" of available capital that may have been used to absorb potential losses in the thrift's loan portfolio and/or potential mark-to-market charges related to the thrift's MBS holdings.

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

We maintained a "well capitalized" position throughout an adverse and "irrational" economic cycle.

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

None