



August 25, 2014

Since 1941, Banc of California has provided full-service banking and home lending solutions to California's diverse private businesses, entrepreneurs, and homeowners throughout California.

Banc of California seeks to exemplify what it means to be a community-oriented bank by demonstrating that community development is based on supporting the engines of enterprise, education and homeownership, and working together to lift communities up and make them stronger. Through its recently announced acquisition of Popular Community Bank's California branch network, Banc of California is expanding its footprint throughout Los Angeles and Orange County, and strengthening its capabilities to serve California's fast-growing diverse communities. Latinos and women are the most rapidly growing segments of new small business owners and entrepreneurs in California, and Banc of California's expanded footprint will enable it to better serve these and other historically underserved groups.

To enable the public to evaluate the benefits communities will derive from Banc of California's continued growth, including the Popular Community Bank branch acquisition, Banc of California developed these public community benefit goals. Today, Banc of California is announcing the community benefits that it believes the bank can accomplish following its acquisition of Popular Community Bank's California branches.

The bank is committed to pursuing these goals prudently, in concert with its commitments to its shareholders, and consistent with the principles of safe and sound banking. These goals were developed based on the feedback from numerous meetings and discussions with the California Reinvestment Coalition and its members, community leaders, non-profit organizations and customers over the past year. Banc of California is proud to stand with the communities it serves and is devoted to setting the standard for community benefits especially for the underserved.

Banc of California will set annual public community benefit goals each of the next five years through a process that includes discussions with California Reinvestment Coalition and its members, community leaders, non-profit organizations and the bank's customers. For 2015, Banc of California in concert with the Banc of California Foundation, has set the following annual goals:

1. Banc of California will devote itself to a level of lending, investments and donations to low to moderate income and historically underserved people and communities, as well as other CRA-qualifying activities with a goal of total qualifying activity reaching or exceeding 20% of its deposits. It will strive to ensure that the distribution of its lending reflects the diversity of the population that resides in its assessment area.
2. Banc of California will devote at least 0.25% of deposits towards community development investments devoted to affordable housing development (excluding tax credits and mortgage backed securities), small business lending, California CDFIs, Community Development Corporations, non-profit community development funds, and small business investment companies.

3. Banc of California will devote 0.02-0.025% or more of deposits towards contributions with at least 60% of such contributions focused on affordable housing, economic development and financial literacy related causes supporting low to moderate income and underserved individuals, families and communities.
4. Banc of California will focus on providing lending solutions for businesses with under \$1 million in revenues and loan amounts under \$150,000 with a goal that the number of loans with these characteristics represent at least half of the total number of qualifying small business loans made by the bank.
5. Banc of California will develop a small business loan referral program so that businesses unable to qualify for small business loans from the bank can be referred to local CDFIs and other similar providers that may be able to make the loan and the bank will accept loans referrals from these parties. The bank will apply to participate in California state-sponsored capital access programs such as the State Loan Guarantee Program.
6. Banc of California will focus on meeting the needs of small businesses owned by underserved borrowers including borrowers of color and women as an SBA-preferred lender and will seek to increase its small business lending and, over-time, to become a Top 10 SBA lender to underserved borrowers in its assessment area.
7. Banc of California will create, market and service an account that serves the banking needs of low to moderate income customers by meeting current SafeMoney Standards as developed by the California Reinvestment Coalition. The bank will also pursue creation of a cash-secured credit card program to assist low to moderate income borrowers in establishing or improving their credit bureau ratings.
8. Banc of California will seek to reconfigure its ATMs to waive out-of-network surcharges for California public assistance recipients that use Electronic Benefits Transfer cards (EBT). Until the time of such reconfiguration, the bank will donate the net proceeds from such transactions to organizations focused on improving financial education for EBT recipients.

Banc of California will report its results, including supporting data, with respect to each of the above mentioned goals prior to meeting with the California Reinvestment Coalition and its members, community leaders, non-profit organizations, and customers during 2015 and annually for a minimum of five years thereafter to solicit advice and feedback regarding its community benefit activities. The bank will strive to incorporate such advice into its community benefit goals for the following year and publicly announce its key goals. The bank intends for its 2015 goals to serve as the standard for evaluating its annual community benefit goals over the next five years. The bank will also facilitate a process to solicit community feedback from the California Reinvestment Coalition and others with respect to any material merger or acquisition. Banc of California is committed to meeting with all interested community-based organizations, and hereby invites them to apply to partner with the bank on the programs outlined above, to advance the aforementioned objectives.



Steven Sugarman
President and CEO



CALIFORNIA REINVESTMENT COALITION

Statement by the California Reinvestment Coalition

August 29, 2014

The California Reinvestment Coalition (CRC) relies on the public disclosure of this signed Community Benefit Plan, and its submission of the plan to Banc's regulator, the Office of the Comptroller of the Currency, as a commitment by Banc to transparency and accountability and to serve the low income communities and underserved communities of Southern California, currently served by Banco Popular.

Banc of California's Community Benefit Plan sets a new standard for banks around the country. The ambitious goals of Banc's plan set the bank on the road to meet the needs of communities of color and low income communities who have long been underserved or inequitably served by financial institutions.

The California Reinvestment Coalition hereby withdraws its opposition to Banc of California's pending application to acquire Banco Popular Branches in Southern California and proudly supports Banc of California's Community Benefit Plan. Banc of California's plan will result in safe and affordable bank accounts that meet CRC's Safe Money Standards and will serve as a call to other banks to make similar commitments to community development and investments that will serve low to moderate income and underserved communities.

A handwritten signature in black ink, appearing to read "Paulina Gonzalez", with a long horizontal flourish extending from the end of the name.

Paulina Gonzalez
Executive Director
California Reinvestment Coalition