



# First Choice Bank™

*First in Speed | Service | Solutions*



**Peter Hui**  
Chairman



**Robert M. Franko**  
President/CEO

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## Dear Valued Shareholders, Customers and Staff:

We can't believe another year is almost over! As we approach the holiday season, we are busy wrapping up several projects for the benefit of our customers, shareholders and community.

We are pleased to report continued strong performance going into year-end. As of the end of the third quarter of 2017, the Bank had earned \$2.2 million, similar to the earnings for the first and second quarters of this year, bringing the year-to-date earnings total to \$6.6 million. Total Deposits and Gross Loans were up \$72.4 million and \$99.1 million, respectively, year-over-year. As reported at the Bank's Annual Shareholder Meeting in August, we are also in the process of establishing a holding company and will be asking our shareholders to vote on this soon, with a proxy set to mail shortly. We paid the year's third quarterly cash dividend, \$0.20 per share, to the Bank's shareholders in August and also announced the fourth cash dividend of this year, to be paid on November 20. Additional performance details are included inside.

On October 19, we held the grand opening of our new Carlsbad branch. It was nice to see so many new and familiar faces joining us for the occasion! We hope that this new branch makes banking easier and more convenient for all of our clients in the San Diego area. Pictures from the ribbon cutting can be found on the following pages.

The Bank hosted its first Cybersecurity Seminar on October 24, inviting clients to hear guest speakers discuss important cybersecurity measures to put in place with their businesses and personally, as well as learn about the products offered by the Bank to assist with that. Additional information on how the Bank can help you with cybersecurity issues is listed inside.

This year's Annual Charity Golf Tournament was a rousing success! The weather cooled down just a bit for us, allowing the attendees to have a great time on the course while bringing awareness and donations to 18 local non-profit organizations. Detailed information about the tournament and photos from the day can be found on the following pages.

First Choice Bank recently established a new partnership with the Federal Home Loan Bank San Francisco to benefit qualified first-time homebuyers as part of FHLB's WISH Program. We're excited to be involved in this endeavor to help others on the path to homeownership. Specifics about the program are listed inside. We are always looking for ways to give back to our community and really appreciate being able to do that with this program and the Annual Charity Golf Tournament.

We would like to thank all of you once again for your loyalty and ongoing support. We look forward to continued fruitful relationships with each and every one of you in the new year!

Respectfully,

Peter Hui  
*Chairman of the Board*

Robert M. Franko  
*President/Chief Executive Officer*

# First Choice Bank's 7th Annual Charity Golf Tournament

First Choice Bank is proud to announce that its 7th Annual Charity Golf Tournament on October 26, 2017, was the most successful one yet! A record-high \$102,800 was donated to 18 local charities, with \$51,400 given by the Bank and an additional \$51,400 matched by the Much is Given Foundation. The event also spotlighted the Bank's "Citizen of the Year" for 2017, with the award presented to Richard Simonian, CEO of Santiago Communities and a veteran of the U.S. Army Special Forces Green Berets. Mr. Simonian created the non-profit organization American Veterans Assistance Group (AVAG), which has been instrumental in assisting veterans with affordable housing, holiday meals, informational workshops about veteran benefits and other outreach programs. Mr. Simonian's dedication to helping those who have sacrificed for our country is truly inspirational.

Each year, the success of the tournament is dependent on the generosity of the sponsors and participants, and this year was no exception. First Choice Bank is so grateful for all who contributed and offers a special thanks to Kathryn Leu for organizing the day's activities.



If you weren't able to make it out this time, please plan to join us at next year's tournament for a day of fun while supporting many worthy charities!

## FCB CyberSecurity Awareness Seminar

First Choice Bank recently hosted its first-ever Cybersecurity Awareness Seminar, a complimentary workshop for our clients detailing how to detect a cybersecurity attack and offering tips to prevent businesses from becoming victims of such attacks. Guest speakers from the U.S. Secret Service and Citadel Information Group discussed top cybersecurity risks and vulnerabilities, while emphasizing steps to be taken to reduce the chances of being a target. Dawn Sasaki, Treasury Services Manager for the Bank, also highlighted security features and products offered by FCB, including Advanced Authentication, Dual Control, Transaction Alerts and Positive Pay, to name a few, in an effort to prevent and detect account fraud. We encourage all clients to be diligent in monitoring their account activity for fraud and to implement these security features on their First Choice Bank accounts. Please contact Dawn Sasaki for more information at 562-263-8405 or [onlinebanking@firstchoicebankca.com](mailto:onlinebanking@firstchoicebankca.com).



## New Carlsbad Branch Grand Opening Event



On October 19, 2017, First Choice Bank opened its fifth full-service branch, located at 5857 Owens Avenue in Carlsbad, just off Palomar Airport Road. The Carlsbad Chamber of Commerce, Bank clients, friends and employees from other FCB locations attended the ribbon-cutting event at the new branch, conveniently located to better serve the needs of our customers and businesses in the San Diego area. We are excited for this new endeavor and look forward to assisting you in Carlsbad!

# FCB Partners With FHLB's WISH Program



First Choice Bank is proud to partner with Federal Home Loan Bank San Francisco for the Workforce Initiative Subsidy for Homeownership (WISH) Program. Under the program, FCB provides eligible first-time homebuyers with up to \$15,000 in matching grant money to assist with down payments and closing costs, giving qualified low- and moderate-income households a chance to achieve their dreams of owning a home. Nora Perez, Assistant CRA Officer for FCB, helps applicants with each step of the process, to ensure all eligibility requirements and document deadlines are met. We are pleased to be part of this wonderful program helping so many individuals and families make their homeownership dreams a reality.

## Financial Highlights

### Performance Highlights of the Bank

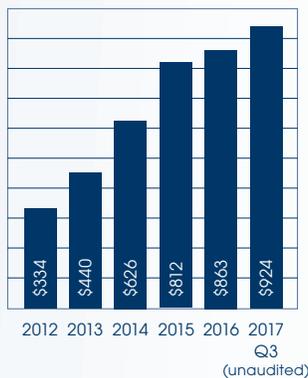
	2012	2013	2014	2015	2016	Q3 2017 (unaudited)
Net Income (\$ in millions)	\$2.6	\$2.7	\$4.1	\$5.4	\$8.3	\$6.6
Return on Average Assets (%)	0.9%	0.7%	0.8%	0.7%	1.0%	1.0%
Return on Average Equity (%)	9.3%	8.0%	9.0%	7.2%	8.5%	8.4%
Efficiency Ratio (%)	50.3%	59.3%	57.8%	59.8%	55.9%	58.4%
Non-Current Loans + Other Real Estate Owned to Loans + Other Real Estate Owned (%)	1.2%	0.3%	0.0%	0.6%	0.5%	0.2%

Actuals	2012	2013	2014	2015	2016	Q3 2017 (unaudited)
TOTAL ASSETS (\$ in millions)	\$334	\$440	\$626	\$812	\$863	\$924
GROSS LOANS (\$ in millions)	\$203	\$348	\$513	\$670	\$704	\$770
TOTAL DEPOSITS (\$ in millions)	\$290	\$380	\$536	\$708	\$757	\$794
STOCKHOLDERS' EQUITY (\$ in millions)	\$33	\$32	\$56	\$92	\$101	\$105

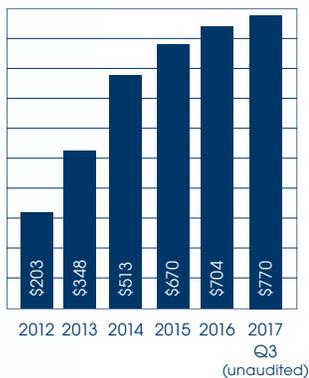
% Growth	2012	2013	2014	2015	2016	Q3 2017 (unaudited)
TOTAL ASSETS (%)	35%	32%	42%	30%	6%	7%
GROSS LOANS (%)	58%	71%	47%	31%	5%	9%
TOTAL DEPOSITS (%)	36%	31%	41%	32%	7%	5%
STOCKHOLDERS' EQUITY (%)	29%	-2%	72%	65%	10%	4%

## Strong Growth

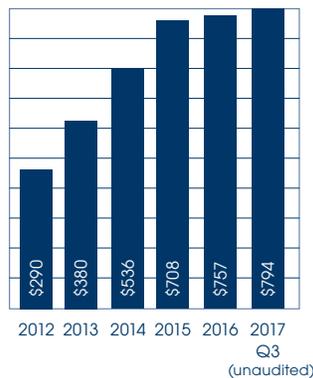
Total Assets (\$ in millions)



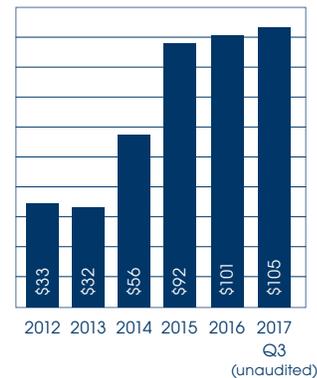
Loans (\$ in millions)



Deposits (\$ in millions)



Stockholders' Equity (\$ in millions)



# Branch Locations

## Headquarters

17785 Center Court Drive N., Suite #750  
Cerritos, CA 90703

Phone: (562) 345-9092  
Toll Free: (877) 256-9809  
Fax: (562) 926-8640  
By Appointment Only

## Cerritos Branch

12845 Towne Center Drive  
Cerritos, CA 90703

Phone: (844) 392-2842  
Fax: (562) 926-8737

Monday - Thursday 9:00am to 4:00pm  
Friday 9:00am to 6:00pm

## Alhambra Branch

407 W. Valley Boulevard, Suite #1  
Alhambra, CA 91803

Phone: (626) 300-8987  
Fax: (626) 300-8507

Monday - Thursday 9:00am to 5:00pm  
Friday 9:00am to 6:00pm  
Saturday 10:00am to 1:00pm

## Rowland Heights Branch

17458 E. Colima Road  
Rowland Heights, CA 91748

Phone: (626) 964-3400  
Fax: (626) 964-8750

Monday - Thursday 9:00am to 5:00pm  
Friday 9:00am to 6:00pm

## Anaheim Branch

2401 E. Katella Avenue, Suite #125  
Anaheim, CA 92806

Phone: (714) 634-5119  
Fax: (714) 456-9813

Monday - Thursday 9:00am to 5:00pm  
Friday 9:00am to 6:00pm

## Carlsbad Branch

5857 Owens Avenue, Suite #104  
Carlsbad, CA 92008

Phone: (888) 817-5665  
Fax: (858) 923-2121

Monday - Friday 9:00am to 5:00pm

## Manhattan Beach

Private Banking Office  
2321 Rosecrans Avenue  
El Segundo, CA 90245

By Appointment Only  
Contact Nicole Swain  
Phone: (310) 696-6669

## Temecula

41530 Enterprise Circle S., Suite #202  
Temecula, CA 92590  
Phone: (844) 315-7855



17785 Center Court Drive, Suite #750 • Cerritos, CA 90703



## Safety Tips During the Holiday Season

As you prepare to do holiday shopping and traveling, please remember the following safety tips to protect yourself and your valuables:



- Be sure to lock your house and car. It seems obvious, but burglars are hoping you forget to lock up while you're focused on all of the other things you're doing.
- Control your social status. Though you might be tempted to broadcast to the world how excited you are for your holiday travels, doing so lets the world know that you're not going to be home.
- Regularly monitor your debit and credit card activity. Check the charges on your statements against your actual purchases; alert your bank or credit card company immediately of any fraudulent activity. If available, set up real-time charge alerts with your debit and credit cards to ensure quick action in the event of fraud.
- Avoid unsecure network connections for online shopping. Remember that public Wi-Fi can be hacked by someone with the right tools, exposing your passwords, billing information and other sensitive data. If the website doesn't have a secure connection, do not input your debit or credit card or bank information for payment.



Member  
**FDIC**

[www.FirstChoiceBankCA.com](http://www.FirstChoiceBankCA.com)