



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Corporate Decision #2004-4
February 2004

January 15, 2004

Mr. Lawrence E. Luckey
Spokesperson
c/o Carpenter & Company
Five Park Plaza, Suite 950
Irvine, California 92614-8527

Re: Signature Bank of California, National Association (Proposed)
Glendale, California
OCC Control Number: 2003-WE-01-0006

Dear Mr. Luckey:

This is to inform you that on January 14, 2004 the Office of the Comptroller of the Currency (OCC) disapproved the application to charter Signature Bank of California, National Association, Glendale, California. The organizers failed to demonstrate to the OCC that the proposed bank would have a reasonable chance of success and would be operated in a safe and sound manner.¹ Our decision was made after an extensive and thorough evaluation of information provided in the application, obtained during the field investigation conducted by two experienced national bank examiners and other information available to the OCC in its regulatory and supervisory activities.

The decision to grant a new national bank charter is not based on any single factor, but on a combination of factors unique to each application.

In evaluating an application to charter a national bank, the OCC considers, in part, whether the proposed bank has competent management, including a board of directors, with ability and experience relevant to the types of services to be provided by the bank.² [

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] This also results in our finding that the senior executive officers are unable to compensate for the limited banking experience of the proposed board of directors.⁴

¹ 12 C.F.R. § 5.20(f)(1).

² 12 C.F.R. § 5.20(f)(2)(B).

³ []

⁴ 12 C.F.R. § 5.20(h)(3)(i).

The OCC expects each proposed executive officer to exhibit strong, relevant experience for the specific position for which he or she is proposed. Generally, an executive officer candidate must have recent and relevant banking experience to meet the strong criterion required for a new bank. Candidates proposed for CEO functions must demonstrate experience managing a bank or similar financial institution or successful experience as a bank officer in areas relevant to the proposed bank's needs.

In addition, the OCC considers the CEO as essential for a new bank's success. []
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Contributing to the denial decision was the lack of banking experience on the proposed board of directors. []
[]. OCC regulation and policy requires senior executive officers to compensate for limited banking experience on the board of directors. Based on our assessment of the senior management team, the charter proposal fails to meet this requirement.

In summary, our denial is based primarily on our findings that the two most senior members of the management team do not meet our standards for approval of the charter application.

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If you have any questions, please contact me at (202) 874-5060 or Licensing Manager Ellen Tanner Shepherd at (720) 475-7650.

Very truly yours,

-signed-

Stephen L. Wood
NBE/ Senior Licensing Analyst