



Comptroller of the Currency
Administrator of National Banks

Licensing Unit (Applications)
Western District Office
50 Fremont Street, Suite 3900
San Francisco, California 94105-2292

February 18, 1999

CRA Decision #88
March 1999

Board of Directors
San Diego National Bank
Attn: Chris Crockett, SVP/Retail Banking
1420 Kettner Boulevard
San Diego, California 92101

Re: Domestic Branch Approval & Authorization

CAIS Control No. 99-WE-05-007
San Diego National Bank - Charter No. 17114
San Diego, California

Dear Members of the Board:

This is to inform you that the Comptroller of the Currency (OCC) has *approved* your application to establish a branch at **4270 Executive Square, Suite 100, La Jolla, California**. This approval is granted based on a thorough review of all information available, including the representations and commitments made in the application and by the bank's representatives. If the branch is not operating within 18 months of this date, the approval will automatically terminate unless the OCC has granted an extension.

As part of our review of your application, we considered the bank's performance under the Community Reinvestment Act (CRA). At our last CRA examination, on March 17, 1997, the OCC assigned your bank an overall "Satisfactory" rating for CRA. At the time, it was noted that one element of the bank's performance could be improved, specifically, the bank's loans were insufficiently dispersed among the various geographies (census tracts) throughout the assessment area. We note, however, that in July, 1997 the bank acquired ten branches in the San Diego area from its affiliate, Regency Savings Bank, FSB, Naperville, which resulted in a substantial increase in your bank's total assets. The new branch locations provide the bank with increased access to low and moderate income geographies, and have allowed increased lending opportunities for your bank to better penetrate the community.

This letter is also the official *authorization* for the bank to establish **Branch No. 114841A**, to be commonly known as the "**University Towne Center Office**," at the approved address. Within 10 days after establishment, the bank must provide the OCC with written confirmation of the opening date, name, and address (with *ZIP+4 Code*) of the branch. Please send your correspondence to the Licensing Unit and refer to the filing's CAIS control number.

If the branch is closed, a 90-day advance notice of proposed branch closing must be submitted to the OCC pursuant to *12 USC 1831r-1*. Following the expiration of the notification period, this authorization must be returned with the final closing notice.

If you have any questions, please contact Valerie Kirkpatrick, Licensing Assistant, at 415/545-5916.

Very truly yours,

/s/

James A. Bundy
Licensing Manager

Enclosure: Customer Survey