



YOUR PATHWAY TO SUCCESS

**Dear Friends of Pacific Alliance Bank:**

Last month, we communicated that we are ready to assist you and your friends with your business and personal financial needs and welcomed you and your friends to visit our bank. We greatly appreciate those of you who took us up on this invitation and again are extending this welcome.

**Board of Directors**

Andrew Su, Chair.  
 Samuel Cheng, VChair.  
 Robert Oehler, CEO

CD and deposit interest rates have been reduced by most banks as a result of the Federal Reserve Bank's reduction of the Fed Funds interest rate by 0.50% in September. Our rates still compare very favorably in the market.

Richard Barkhurst  
 James Chou  
 Joseph Gigliotti  
 Janet Ha, CCO  
 Peter Kam

Also, we strongly direct your attention to our FlexChecking unlimited checking account product, which earns between 3.58% and 3.88% APY for FlexChecking balances of between \$2,500 and in excess of \$25,000. We wish to reiterate how unique this account rate is. There is no comparable checking deposit rate in California that we know of.

Dennis Lin  
 Nancy Luke  
 Michael Sun  
 Yee-Jen Shuai  
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FlexChecking is available for individuals, sole proprietorships, and not-for-profits. If you are involved with a not-for-profit organization, community organization, or neighborhood association, please bring this deposit product to their attention. We have been establishing relationships with various foundations and welcome many more.

Joe Teo, CFO  
 Corp. Sec'y

We developed our FlexChecking account precisely for business owner families and professionals, who may be too busy to periodically move funds between the money market account and checking account.

We continue to develop our lending products, including SBA loans and also professional practice deposit and loan relationships. We will help a buy / sell of a practice, along with providing excellent operating account services.

If you know of very good commercial bankers who might wish to join a bank within its first year of operation and be in a position to grow professionally as the bank grows, please refer such candidates to us.

We will award those of you who refer business or potential bank officer candidates to us. These awards will be made in December. Now is the time to join the others who are providing us with these referrals.

Yours truly,

Robert B. Oehler "Rob"  
 President and CEO

**N**ext month: More on our people and products.

This letter may include forward-looking information, which is subject to the "safe harbor" created by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act and the Private Securities Litigation Reform Act of 1995. When the Bank uses or incorporates by reference in this letter the words "anticipate," "estimate," "expect," "project," "intend," "commit," "believe" and similar expressions, the Bank intends to identify forward-looking statements. Our actual results may differ materially from those projected in any forward-looking statements, as they will depend on many factors about which we are unsure, and which are beyond our control."