

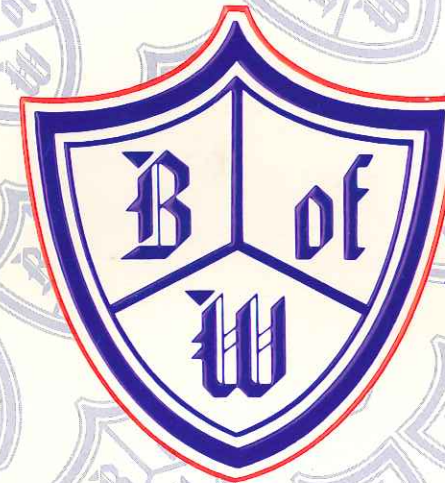


**Bank of
Westminster**

"CONVENIENCE BANKING"

8251 WESTMINSTER AVENUE
WESTMINSTER
CALIFORNIA 92683

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION



**Bank of
Westminster**

1981 ANNUAL REPORT

To Our Shareholders

We are pleased to report that 1981 was a year of excellent progress and accomplishment for the Bank of Westminster. The Bank grew to over \$14 million in resources and even more gratifying was achieving a record profit of \$267,000.

At their January, 1982 meeting, the Board of Directors declared a 5% stock dividend for shareholders of record February 20, 1982. This declaration was made in view of the fine year we had at the Bank of Westminster and our desire to share this progress with you, our shareholders.

The past year proved to be one of challenge, starting off with Interest Checking, an ability which was also given to savings & loan associations, the advent of the All Savers Tax Free Certificate, and most recently the deregulation of interest rate ceilings on Individual Retirement Accounts. Effective January 1, 1982, all employed individuals became eligible to contribute to IRA accounts even though their employers provide profit sharing or pension plans. In the years to come, this is expected to infuse several billion dollars into the banking system.

In early 1981 we created our own investment program, the "Money Fund" which is the sale and repurchase of government securities. Businesses or individuals may invest as little as \$5,000 for up to 89 days and receive current money market rates.

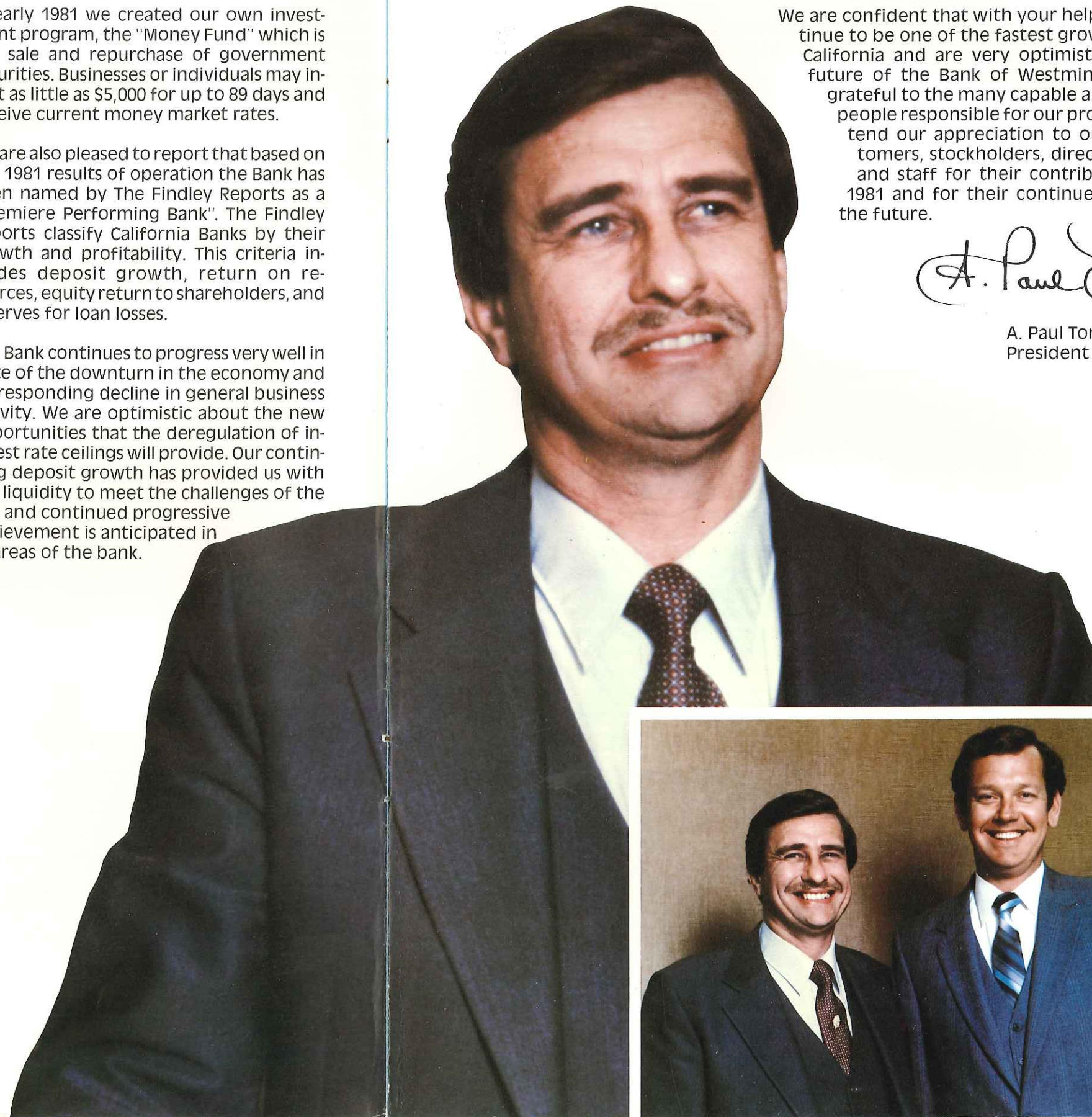
We are also pleased to report that based on our 1981 results of operation the Bank has been named by The Findley Reports as a "Premiere Performing Bank". The Findley Reports classify California Banks by their growth and profitability. This criteria includes deposit growth, return on resources, equity return to shareholders, and reserves for loan losses.

The Bank continues to progress very well in spite of the downturn in the economy and corresponding decline in general business activity. We are optimistic about the new opportunities that the deregulation of interest rate ceilings will provide. Our continuing deposit growth has provided us with the liquidity to meet the challenges of the 80's and continued progressive achievement is anticipated in all areas of the bank.

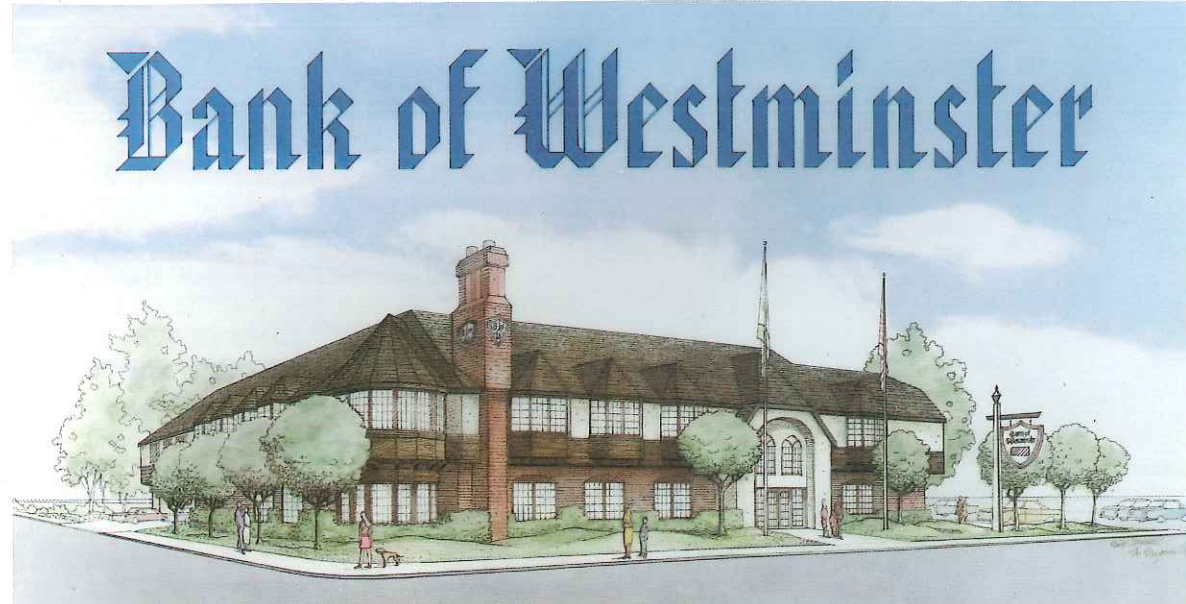
We are confident that with your help we will continue to be one of the fastest growing Banks in California and are very optimistic about the future of the Bank of Westminster. We are grateful to the many capable and dedicated people responsible for our progress and extend our appreciation to our many customers, stockholders, directors, officers and staff for their contribution during 1981 and for their continued support in the future.



A. Paul Tomko
President & Founder



Moving Forward



Westminster

The completion of our urgently needed headquarters building is scheduled for late this summer. Our headquarters structure will house 10,000 sq. ft. of indoor banking facilities plus four exterior drive-thru lanes. Approximately 13,500 sq. ft. of professional offices will be available for lease. The building plans were developed by McCullough Architects of Newport Beach. It features gabled windows, antique brick, an arched entryway, and a tower-like corner office suite with a view of City Hall. The Tudor style architecture also is enhanced by flagpoles, a courtyard with two walk-up teller windows, an

automated 24 hour teller machine, and the now familiar Bank of Westminster Time and Temperature sign.

The move to this new home, and the many customer conveniences which it will offer, was unfortunately delayed by building variances and design changes. Its preparation has taken many months, but, the effort has been well worth it. It will be without a doubt one of the most beautiful buildings in the city. Once into our new building, we are confident that the Bank of Westminster will set even greater records in growth and customer satisfaction.

Huntington Beach

We are very excited about opening our first branch office in Huntington Beach. We applied for this office in the fall of 1980 and received authority to establish this office from the State Banking Department and Federal Deposit Insurance Corporation last year. After lengthy negotiations, we acquired a building site which will accommodate an 8,000 sq. ft. building at the northeast corner of Goldenwest and Warner Avenues.

We plan to co-develop a 143,600 sq. ft. shopping center which will contain, in addition to our new banking office, a major grocery outlet, a major drug-variety store, and a number of other smaller retail outlets.

While the entire project may not be completed until early 1983, we plan to open this office almost immediately in a temporary facility and begin construction on our

Board of Directors



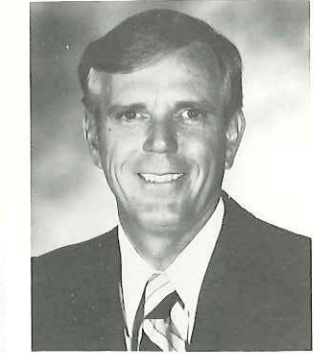
Charles A. Bonnett, M.D.
Fountain Valley Hospital
Chairman



A. Paul Tomko
Bank President
Director



George W. Peterson
Bank Exec. Vice President
Director



Warren L. Rosendale
Tri Star Plastics
Director



J. Wayne Stewart
J.A. Stewart Construction
Company, Director



Eddie H. Tsuruta
Atlas Vegetable Exchange
Director



Frederick J. Hanshaw
F.J. Hanshaw Enterprises
Director

Bank Officers

A. Paul Tomko
President—CEO

George W. Peterson
Executive Vice President

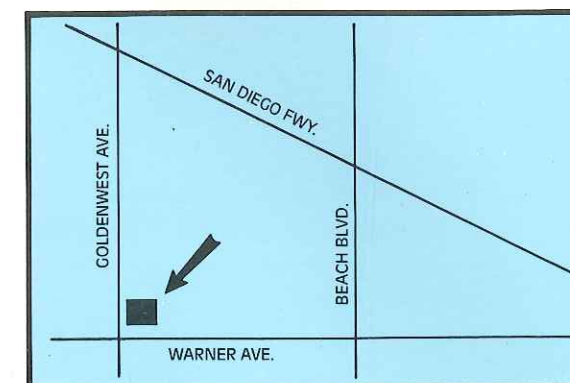
George C. Applegarth
Vice President

Ray Seda
Installment Loan Officer

Patricia A. Kendrick
Operations Officer

permanent building within the year. We plan to carry on our Tudor building design, thus retaining the Banks' English Theme.

Huntington Beach Location



Convenience Banking



Banking at its' best is "Convenience Banking". The Bank of Westminster offers a unique convenient package of banking services. We also offer a variety of business and professional loans tailored to the borrowers' needs. For added convenience we have extended hours, providing banking from 9-6 Monday thru Friday, 9-1 Saturday. Free messenger service is available to qualifying accounts.

Our investment officer takes pride in assisting our customers with their savings and investment plans. Besides offering savings, certificates of deposit, and repurchase agreements, the bank also purchases and sells government and municipal securities for its customers.

The bank's policy to maintain a high degree of liquidity assures us of having ready loanable funds. We offer a wide variety of consumer loans for personal, auto and recreational needs; commercial and equipment loans for all types of businesses; and short term real estate and construction loans on property for which permanent

mortgage commitments have been obtained. We may participate in these interim construction loans with other financial institutions.

Convenience Banking is not only the number of services offered but also the service provided. Our experienced officers and staff are dedicated to giving the very finest, friendliest, and most efficient service.

