

August 2018

# COMMUNITY *Interest*

THE QUARTERLY NEWSLETTER  
FOR REDWOOD CAPITAL BANK

COVER NATURE PHOTOS BY: MICHAEL MCCOY



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## Fraud Prevention Month

By DAVE TIERNEY



According to the credit reporting agency Experian, consumers reported \$905 million in total fraud losses in 2017, up 22% from the year before. Reported data breaches have risen 45% over that same time period. There is little debate that fraud is on the rise and has been for years.

At Redwood Capital Bank, we are aware of this trend. This is why we are continually investing in technical and human controls to help protect the personal and financial data of our customers. But we are only half of the equation in this ongoing war against the criminals who would happily steal your money or your identity. Acting alone, Redwood Capital Bank is strong. Acting together in alliance with you, we are stronger.

The biggest weapon at our disposal in this fight is awareness. Knowledge is power and that is why Redwood Capital Bank has declared August as **Fraud Prevention Month**. We want to arm you with the information and tools you need to help protect yourself from becoming another casualty in this battle.

Throughout August, Redwood Capital Bank will be highlighting a list of **Top 10 Tips for Fraud Prevention** that can help you develop a secure financial lifestyle. Some of these

...We are stronger together.

tips are technical in nature, such as our SecurLOCK Equip card controls app, while others are focused on awareness, such as monitoring your accounts or being suspicious of e-mail attachments.

You will see and hear us talking about these tips on various radio outlets, television commercials and newspaper articles throughout the month. If you stop by any of our branches on a Friday during August, our staff will be wearing red sweatshirts and Fraud Prevention Month buttons. We've also updated our website [www.redwoodcapitalbank.com](http://www.redwoodcapitalbank.com) with a link to our Fraud Prevention page right from the home page. The Fraud Prevention page contains all of our Top 10 Tips, as well as many other helpful ideas and resources to assist you.

We hope you will join us in this fight against fraud, because we are stronger together.

Dave Tierney is the VP/IT Director of Redwood Capital Bank. He can be reached at (707) 444-9848 or via email at [dtierney@rdwo.com](mailto:dtierney@rdwo.com)





# Eureka

## B R A N C H



John Dalby and Humboldt County Supervisor, Rex Bohn

### Humboldt Cares - Northern California Fire Fund

Redwood Capital Bank is proud to be working with Humboldt County Supervisor, Rex Bohn in supporting relief efforts for the communities in Northern California affected by recent fires. Donations can be made at any RCB branch.



## A Few Thoughts

By JOHN DALBY

It has been a busy and productive summer here at Redwood Capital Bank. From oysters and rodeos, to golf tournaments, fundraisers and baseball games, Redwood Capital Bank has had a presence at many of the events that make Humboldt County special. Thank you to the communities who coordinate these events and to our dedicated staff for their participation on the bank's behalf.

Construction continues on our soon-to-be fourth branch location in Henderson Center. Redwood Capital Bank's commercial underwriting team, loan support staff and facilities will be joining the Henderson Center operations staff in a beautiful newly remodeled space. Look for a grand opening in early 2019, to coincide with Redwood Capital Bank's 15<sup>th</sup> anniversary.

Finally, I would like to take this opportunity to thank retiring Director, John R. "Jack" Selva for his years of service to the bank and its shareholders. Jack was a founding Director, serving nearly 15 years at the post and was a driving force in the establishment of Corporate Governance and Strategic Planning. All of us at Redwood Capital Bank wish Jack and his wife Leslie the very best.

As summer begins to fade, I encourage you to get out and enjoy the last bit of the season. From rivers and redwoods, to the Pacific Ocean, we are fortunate to call Humboldt County home.

John Dalby is the President & CEO of Redwood Capital Bank. He can be reached at (707) 444-9833, or via email at [jdalby@rdwo.com](mailto:jdalby@rdwo.com)



## Out and About

It has been a busy summer with lots of fun community events.



RCB's Red Hot Chili Peppers won the Team Spirit Award at Pony Express Days!



(l) Fortuna Branch manager, Bob Judevine announces the winners at the Fortuna Rodeo Chili Cook-Off. (r) RCB won 1st Place, Best Theme parade float at the Fortuna Rodeo parade.



Members of Eureka, Fortuna and Arcata RCB branches participated in the Fortuna Rodeo Chili Cook-Off.



# Aim for the Stars

At Redwood Capital Bank, we strive to give our customers 5-Star service every day. Recently, Redwood Capital Bank was recognized as a 5-Star bank by Bauer Financial. This superior rating is the highest possible for a bank to receive from one of the nation's most well-known and respected bank rating firms. Among the criteria Bauer Financial uses to determine a particular bank's rating is capital strength, liquidity, profitability and loss trends, the level of delinquent loans, market value versus book value of the investment portfolio, regulatory supervisory agreements and Community Reinvestment Act (CRA) ratings. Such data is analyzed quarterly and compared with historical data for consistency.

Receiving the 5-Star designation represents Redwood Capital Bank's financial strength and security. Our success would not be possible without the ongoing support of our customers and shareholders, our community and our dedicated Board of Directors, management and staff. Being Humboldt County's only local community bank is something we take great pride in. Thank you for helping us aim for the stars!



## Giving Back to our Community

By JENNIFER BUDWIG



Recently, I was compiling information for our Board of Directors that included community involvement over the last year by our business development team, as well as our employees. This included extensive participation in service clubs like Chambers of Commerce, Rotary and Kiwanis, as well as attending many functions throughout the year that support our community. These events range from Chili Cook-Off booths at Pony Express Days and Fortuna Rodeo Week, to sponsoring students in the Youth Ambassador Program, to participating in events like Big Brothers Big Sisters of the North Coast's Bowl for Kids' Sake, CASA's Big Night and Kid Walk, the Humboldt County Dairy Princess Contest, Oyster Festival and many more.

these events but greatly encourages it. In addition to staff involvement, Redwood Capital Bank generously donates financially to support schools, nonprofits and service organizations in our area.

It never ceases to amaze me how much Redwood Capital Bank and its employees gives back to Humboldt County. We are proud to continually re-invest in our community and make a positive impact on the North Coast.

Jennifer Budwig is the SVP/Chief Lending Officer of Redwood Capital Bank. She can be reached at (707) 444-9817, or via email at [jbudwig@rdwo.com](mailto:jbudwig@rdwo.com)

Redwood Capital Bank not only supports employees participating in



# 2018 Second Quarter Earnings Release

By RENEE BYERS



		Period Ended		%
		6/30/2018	6/30/2017	Change
Balance Sheet data (at period end)				
(In Thousands)	Total assets	\$349,443	\$331,080	6%
	Total deposits	\$318,089	\$301,454	6%
	Total loans (net)	\$270,660	\$254,054	7%

		Year to Date		%
		6/30/2018	6/30/2017	Change
Summary of Operations (current quarter)				
(In Thousands)	Interest income	\$ 3,505	\$ 3,236	6%
	Net Interest Income	\$ 3,300	\$ 3,053	8%
	Book Value per common share	\$ 13.17	\$ 12.01	10%

Renee Byers is the VP/Interim Chief Financial Officer of Redwood Capital Bank. She can be reached at (707) 444-9849 or via email at [rbyers@rdwo.com](mailto:rbyers@rdwo.com)

# Fortuna B R A N C H



Tanner Levitt

## Welcome Tanner Levitt

Tanner Levitt is the Fortuna Branch's newest part-time Customer Service Representative. Tanner is a former Barista and is involved as a Leadership Trainer for California FFA. Tanner travels state-wide, introducing incoming high school freshmen to Agriculture education. When asked what he likes about Redwood Capital Bank, Tanner commented, "I like the friendly environment and customers." Tanner's hobbies include binge-watching Netflix and photography.



# Arcata

## B R A N C H



Courtney Bragia and Elena Dominguez

### Welcome Courtney and Elena

Courtney Bragia and Elena Dominguez have joined the Arcata Branch as Customer Service Representatives. Courtney recently moved here from Southern California and previously worked in the food service industry. Courtney likes the people and good energy at RCB. In her free time, Courtney enjoys being outdoors and walking her dog, Prim.

Prior to Redwood Capital Bank, Elena Dominguez was a Manager at Dutch Bros. She loves the friendly customers and staff at RCB. Elena enjoys travelling, camping and going to the beach with her Miniature Pinscher.

Courtney and Elena look forward to working with you!

### BANK HOLIDAYS/ HOLIDAY HOURS

Monday, September 3:  
Labor Day\*

Monday, October 8:  
Columbus Day\*

Thursday, November 22:  
Thanksgiving Day\*

Friday, November 23:  
Open 9:00 a.m.-3:00 p.m.

\* denotes closure

Cover Photos  
Michael McCoy

Management Photos  
Matthew St. Charles

Bank Exterior Photos  
Gary Todoroff  
[northcoastphotos.com](http://northcoastphotos.com)



## Dividend Update

The Redwood Capital Bancorp Board of Directors recently declared the 26th consecutive quarterly cash dividend. The dividend of \$0.07 per share is payable on August 13, 2018 to shareholders of record at the close of business on August 2, 2018. The dividend is equivalent to an annual rate of \$0.28 per share or 1.52%, based upon a market price of \$18.48 per common share.

For more information regarding investing in Redwood Capital Bancorp, please visit our website at [www.redwoodcapitalbank.com](http://www.redwoodcapitalbank.com) and click on Investor Relations. There you can access a list of market makers, as well as local financial advisors who can assist you in acquiring Redwood Capital Bancorp shares. For more information on the quarterly dividend, please contact Renee Byers at (707) 444-9849 or via email at [rbyers@rdwo.com](mailto:rbyers@rdwo.com).



### Senior Management

John E. Dalby, President & CEO  
Tammy Brown, SVP/CCO  
Renee Byers, VP/Interim CFO  
Jennifer Budwig, SVP/CLO

### Board of Directors

John J. Gierke Jr., Chairman  
J. William McAuley, Vice Chairman  
Russell N. Britt  
John E. Dalby  
Larry A. DeBeni  
W. Timothy Needham  
Craig L. Perrone  
James R. Seiler  
Steven M. Strombeck

[redwoodcapitalbank.com](http://redwoodcapitalbank.com)

HOURS OF OPERATION  
Monday - Thursday: 9:00 a.m. - 5:00 p.m.  
Friday: 9:00 a.m. - 6:00 p.m.

MEMBER FDIC



EUREKA BRANCH  
402 G Street  
Eureka, California 95501  
(707) 444-9800



FORTUNA BRANCH  
1075 S. Fortuna Blvd., Ste. A  
Fortuna, California 95540  
(707) 725-4722



ARCATA BRANCH  
1315 G Street  
Arcata, California 95521  
(707) 826-0878

Coming Soon to Henderson Center  
2816 F Street, Eureka • (707) 444-9888



If you have ever used another financial institution's ATM to withdraw money from your account, chances are you paid a surcharge fee. We know these surcharges can add up, and that is why we joined an ATM network called the SUM Switch. It eliminates surcharges normally incurred when you use another institution's ATM\*.



Now you can use hundreds of ATMs without paying costly surcharge fees. Just look for the SUM Switch logo when you are using another financial institution's ATM and you will know that you can receive money from your own account without extra fees\*.

\* Foreign ATM usage fee might still apply depending on your account type.



**Redwood  
Capital Bank**  
*Our interest is YOU*