

February 2018

# COMMUNITY *Interest*

THE QUARTERLY NEWSLETTER  
FOR REDWOOD CAPITAL BANK

COVER NATURE PHOTOS BY: MICHAEL MCCOY



## Making the Switch

By JOHN DALBY

A referral is the highest compliment that you can give to a business. Many of you likely know people that do not currently bank with Redwood Capital Bank - notice I use the word “with” rather than “at”. If you know someone who is considering making a change from their current financial institution, please share with them the following reasons why they should consider making the switch to Redwood Capital Bank:

### 1. You will never be just a number

Relationships matter. It is important to work with people who take a genuine interest in you and your financial goals. We get to know you on a first-name basis. A real-life person will answer the telephone when you call with a question.

### 2. No constant up-sell

Big box banks are notorious for regularly pitching the “product du jour.” At Redwood Capital Bank, we take the time to get to know you. We pride ourselves on building relationships. We listen to what you want and offer financial solutions that are right for you.

### 3. Living in the same zip code as your money

Where do your deposits go? Are they being re-invested here locally or being sent out-of-town, somewhere else? Redwood Capital Bank puts local deposits to work right here at home. We provide financing and lending for Humboldt County businesses and consumers, helping to strengthen the local economy. This is good for everyone.



*...We truly aim to be the highlight of your day.*

### 4. Decisions, decisions, decisions

Time is money. At Redwood Capital Bank, all decisions are made locally, by people who know the area, understand its uniqueness and truly care about the community and your success.

### 5. Customer service

Taking care of our customers is our #1 priority! Excellent customer service is the norm here, not the exception. There is simply no reason to ever put up with poor customer service. We value our customers and understand that they are the reason we are in business.

Financial companies are part of the service-oriented industry. All too often, the national banks fail with the service portion of their interactions. At Redwood Capital Bank, we have built our company upon the foundation of exceptional customer care - both for existing customers and future customers. We want to give you every reason to entrust your business with us. We truly aim to be the highlight of your day.

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

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# Eureka

## B R A N C H



Peyton Imperiale

### Eureka Branch Happenings

Congratulations to Peyton Imperiale on her new job position, Commercial Loan Underwriting Trainee. Peyton began her career here at RCB in May, 2015. She has worked as a Teller and also in the Loan Support Department. In her new position, Peyton is learning all aspects of how to underwrite commercial loans. When asked what she likes about working here, she commented, "Redwood Capital Bank is like a big family. The work is very enjoyable and they take very good care of their employees." In her free time, Peyton enjoys spending time with her dog, Cash and hanging out with her family.



Meghann & Rhea



Rebecca & Bob

Lindsay, Rosie & Shannon

Arcata Branch fun - Arcata Chamber of Commerce Mixer, November, 2017

## What the Zelle is Happening with Digital Payments?

By DAVE TIERNEY



A man is jogging past a girls youth soccer team bake sale. One of the girls calls out to him: "Hey mister, would you like to buy some cookies?" The man stops, a little flustered, and stammers "Ahh, well, yes, I would ... but I don't have my wallet." Another girl is undeterred: "Perfect! You can send a digital payment." The man tries to escape: "Yeah, but I don't have one of those payment apps." Even this fails to get him off the hook, as a third little girl says "Perfect! You have a United States.-based bank account, right?" When he confesses that he does indeed have a bank account based in the United States, the last little girl goes in for the kill: "Perfect! Then you should have Zelle!" The guy ends up walking away from the stand with a bag full of cookies.

If you've seen this commercial, you may be wondering two things: What the heck is Zelle? And will it work with Redwood Capital Bank's mobile app? (Spoiler alert on the latter: the answer is YES – soon.)

Zelle is a Person-to-Person (P2P) payment platform that allows you to send money from your smartphone to virtually anyone in the United States. If the person you are sending money to has a bank account on the Zelle network – a very high likelihood given that many of the largest banks in the U.S. have already partnered with Zelle – then the payment is in near real-time. And unlike some other P2P platforms, the money goes directly into a bank account, not a third-party account which then must be transferred to a bank account. It's fast, convenient, and secure.

In addition to Zelle, we're working on a couple of other technology products to help protect you from fraud: Enterprise Alerts and SecurLock Equip. These products are currently in the testing phase and should be ready to roll out soon.

Once available, Enterprise Alerts will add several new real-time alerts that you can subscribe to, either via online banking or by signing up at your Redwood Capital Bank branch. These new alerts will allow you to be notified by text message or e-mail anytime a transaction hits your account, when your loan payment is due, or when your balance dips below a threshold that you define, to name a few examples. These alerts can help protect you against fraud by letting you know the minute a transaction is posted to your account that you don't recognize.

SecurLock Equip is a mobile app that will allow you to receive transaction alerts specifically for your Redwood Capital Bank credit or debit card transactions. It will also allow you to instantly turn your card off or on if it is lost or stolen, set travel parameters, or block all international transactions. SecurLock Equip will be available as a stand-alone app, while some of the more basic features will also be available within the Redwood Capital Bank mobile banking app.

Be on the lookout for more information about release dates for these products.

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)





# A Prosperous 2018

2018 marks Redwood Capital Bank's 14<sup>th</sup> year in business. While much has changed – especially in the field of technology, much has remained the same. When we opened back in 2004, it was the company's mission to provide excellent customer service, all the while establishing ourselves as Humboldt County's local community bank of choice. Our service-first and solutions-oriented approach allow us to reach beyond the transaction to develop strong bonds, create meaningful connections and solid relationships.

There is much to look forward to in 2018. The prospect of expanding our financial footprint into Henderson Center is exciting for the company, our customers, shareholders and the greater community at large. Technological advancements such as chip cards, e-alerts and our SecurLock Communicate system are just a few examples of how Redwood Capital Bank provides products and services that are both convenient, competitive and secure.

Here's looking forward to a prosperous year. Thank you for your trust and commitment to community banking. We love doing business with you!



## Give 'Em the Pickle

By JENNIFER BUDWIG

At a recent staff meeting, we watched a video titled "Give 'Em the Pickle". It featured businessman Bob Farrell, founder of Farrell's Ice Cream Parlour. The video was named as a result of one of his waitresses telling a regular customer there was going to be a charge for a second pickle he requested. Since he'd never had to pay for a second pickle, he let the owner know about his dissatisfaction and threatened to not come back. The premise behind the video (behind the obvious 'give 'em the pickle' and keep your customer happy) was enhancing customer service. The video provided four pointers on how to provide exceptional customer service, including Service, Attitude, Consistency and Teamwork. As he discussed these four areas and how to excel in each, I was reflecting on how RCB already does so many of these things to provide consistent, exceptional customer service. Financial institutions typically all offer the same products, but the differentiation between RCB and the others is the culture that our President and Board of Directors



established from the beginning. Customer service is always our number one priority, and we are always striving to make it the highlight of our customer's day whenever you come into the branch, or interact with us in any way. As other institutions continue to consolidate, grow, and become more centralized, typically leading to a lower level of service, we have been able to maintain the course of keeping service our top priority! So we hope that your experience with us not only consistently meets your satisfaction, but regularly exceeds it!

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)



## 2017 Fourth Quarter Earnings Release

By FRED MOORE



Balance Sheet data (at period end)	Period Ended		% Change
	12/31/2017	12/31/2016	
(In Thousands) Total assets	\$342,153	\$332,505	3%
Total deposits	\$311,733	\$303,847	3%
Total loans (net)	\$255,209	\$244,756	4%

Summary of Operations	Current Quarter		% Change
	12/31/2017	12/31/2016	
(In Thousands) Interest income	\$ 3,433	\$ 3,235	6%
Net Interest Income	\$ 3,240	\$ 3,045	6%
Book Value per common share	\$ 12.48	\$ 11.48	9%

Fred Moore is the EVP/Chief Financial Officer of Redwood Capital Bank. He can be reached at (707) 444-9840 or via email at [fmoore@rdwo.com](mailto:fmoore@rdwo.com)

## Fortuna B R A N C H



### Festive Fortuna

The Fortuna Branch hosted the Fortuna Chamber of Commerce's annual Holiday Mixer this past December in conjunction with the Strongs Creek Plaza Open House. In addition to great food and beverages, there were wonderful raffle items and lots of friendly faces to visit with. Santa Claus made an appearance and the evening was completed with the annual tree lighting ceremony. Thank you to the Fortuna Chamber of Commerce and RCB's Fortuna Branch for a festive evening!



# Arcata

## B R A N C H



Ronnie Bradbury

### Welcome Ronnie Bradbury

The Arcata Branch welcomes newly-hired Customer Service Representative, Ronnie Bradbury. Ronnie brings with him three years of banking experience. Ronnie appreciates that the people he has met at RCB are "amazingly friendly" and he is very excited to be a part of the RCB team. Prior to his banking career, Ronnie spent seven seasons working for the Humboldt Crabs as the head of security. Ronnie is an avid Golden State Warriors fan and spends a lot of his free time watching basketball and hanging out with his wife. Ronnie and his wife reside in Eureka with their two cats.

Stop by and say hi to Ronnie – he looks forward to meeting you!

### BANK HOLIDAYS/ HOLIDAY HOURS

Monday, February 19:  
President's Day\*

Monday, May 28:  
Memorial Day\*

\* denotes closure

Cover Photos  
Michael McCoy

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



## Dividend Update

The Redwood Capital Bancorp Board of Directors recently declared the 24th consecutive quarterly cash dividend. The dividend of \$0.065 per share is payable on February 12, 2018 to shareholders of record at the close of business on January 30, 2018. The dividend is equivalent to an annual rate of \$0.26 per share or 1.43%, based upon a market price of \$17.43 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 Fred Moore at (707) 444-9840 or via email at [fmoore@rdwo.com](mailto:fmoore@rdwo.com).



### Senior Management

John E. Dalby, President & CEO  
Fred J. Moore III, EVP/CFO  
Jennifer Budwig, SVP/CLO  
Tammy Brown, SVP/CCO

### 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  
John R. Selvage  
Steven M. Strombeck



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



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*

[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

