

August 2021

# COMMUNITY *Interest*

THE QUARTERLY NEWSLETTER  
FOR REDWOOD CAPITAL BANK

COVER PHOTOS BY: MICHAEL MCCOY



## Inside This Issue

Attitude is Everything	Page 1
Eureka Branch	Page 2
Henderson Center	
Branch	Page 2
Thank You to Our Team	Page 2
Earnings Release	Page 3
Fortuna Branch	Page 3
Arcata Branch	Page 3
Ransomware	
Revisited	Page 4
Holidays	Page 4
ATM Information	Page 4
Branch Locations	Page 4
Dividend Update	Page 4
Senior Management & Directors	Page 4

## Attitude is Everything

By JOHN DALBY

Are you a blessing or a curse?

Every day, we are given the opportunity to choose. Is your cup half full or half empty? Do you begin each day with gratitude or with negativity and dread?

In all honesty, most of us fall somewhere in the middle. Life's monotonies can temporarily dull our shine and spirit. Let this be a good reminder to take a moment to stop and look around, to be present in the very moment and recognize the many things that each of us have to be thankful for every day.

Family, friends, faith, health, security, nature— we are surrounded by blessings. Why then is it so easy to let the negative outweigh the positive? Positive and negative thoughts can become self-fulfilling prophecies – what we project can often manifest. Positive thinking can lead to positive actions and outcomes.

According to an online article by Mind Tools, "Positive, optimistic people are generally happier and healthier and enjoy more success than those who think negatively. The key difference



## ...Good vibes multiply

between them is how they think about and interpret the events in their life."

In the workplace, it comes down to attitude and performance. A good attitude is contagious. Happy people make happy employees. They spread their kindness and goodwill to co-workers and customers, who in-turn pass along their good experiences to others. Good vibes multiply.

At Redwood Capital Bank, our goal is to be the highlight of your day. This mantra is firmly established in the overall foundation of how we do business every single day.

As summer fades into fall, here's wishing you many blessings from all of us at Redwood Capital Bank.

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)





# Eureka



B R A N C H



Summer has arrived on the North Coast and it's so wonderful to see some sunshine mixed in with the fog! It's also wonderful to see our customer's faces again, as mask restrictions have been lifting throughout the county. We are cherishing the small blessings of breathing fresh air and seeing people's smiles again. Thank you to our customers who have continued to visit the branch during COVID-19 and trusted us to provide a safe environment for you.

In other branch news, we are excited to welcome back our outstanding Operations Supervisor, Lindsay Johnson from maternity leave. Lindsay and her husband Antoine welcomed their second child in January, daughter Delaney Monet.

Lindsay plays an important role in our branch, which includes supervising the branch staff, ensuring a positive and professional environment and is responsible for the consistent top tier customer service all of our branch customers receive. I would like to recognize Lindsay for the tremendous job she does as well as recognize the entire team for stepping up to help the branch run seamlessly in her absence. I couldn't be more proud of our team here in downtown Eureka!

*Meghan Broadstock is the AVP/Eureka Branch Manager of Redwood Capital Bank. She can be reached at (707) 444-9845, or via email at [meghann@rdwo.com](mailto:meghann@rdwo.com)*

# Henderson Center

B R A N C H



Hello from the harmonious Henderson Center Branch. Summer is in full swing and we are all so happy to see more and more of our amazing customers out and about. It has been an eventful last few months and we are as eager as ever to continue to provide the highest level of service to our customers and community at-large.

I want to take a moment to shine a spotlight on the amazing job the staff in Henderson Center has done taking care of our customers as we continue to wind down from the pandemic. Each and every person in the branch has shown exceptional acuity and empathy in upholding the core values that RCB promises each and every day.

We are pleased to be working closely with the Henderson Center Merchants Association to improve the overall appearance of the area. Have you seen the beautiful plants hanging outside the local businesses? We are very excited to recommence our traditional fall and winter festivities later this year and continue to try to find creative ways to engage with our local shops to see this special part of Eureka shine.

As the year progresses, we hope that you get a chance to stop by our wonderful branch. We are fortunate to have the opportunity to serve this community as your financial partner!

*Travis Sanborn is the AVP/Henderson Center Branch Manager of Redwood Capital Bank. He can be reached at (707) 444-9864, or via email at [tsanborn@rdwo.com](mailto:tsanborn@rdwo.com)*



## Thank You to Our Team

By JENNIFER BUDWIG

I would like to take this opportunity to thank the amazing employees at Redwood Capital Bank.

Last year, the bank experienced unprecedented growth of 30%. This meant more new account openings, more transactions, more foot traffic and more phone calls on the operations side. At the same time, our Residential Real Estate team also had unprecedented loan volume, as interest rates reached an all-time low. Additionally, the Commercial Loan Department processed over 1,000 Paycheck Protection Program (PPP) loans.

Every single one of our employees had to step-up to help support this additional growth including: Loan Support, Underwriting, IT, Administration, Compliance, Couriers, Ops Support, Marketing and our incredible frontline staff in all of our branches.

This was all being done in the midst of COVID, which as we all know, created its own set of challenges with masks, partitions and fear of the unknown.

As we have been hearing recently, employers are having a very difficult time hiring and retaining employees due to elevated unemployment benefits and a variety of other reasons. This is the perfect opportunity to give a huge thank you and recognition to RCB's loyal staff who show up every day with a positive and "getter done" attitude.

We could not ask for better employees. I am so grateful for, and truly appreciate, the family culture at Redwood Capital Bank. We strive to not only make it the highlight of our customers' day, but to make it the highlight of each other's day. I am so proud and grateful for our staff's dedication to RCB.

*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)*



# The Local Difference

At Redwood Capital Bank, we talk a lot about the “local, community bank difference.” For those of you who do business with RCB regularly, you will understand that it is the little things like being called by your name when you walk into a branch, having the telephone answered during business hours by a live person and working with people who are your friends and neighbors.

A few key things to ask yourself when choosing a financial partner are: (1) Where do my deposits go? (2) Who are the decision makers? (3) Who is it benefitting from my business? At Redwood Capital Bank, your deposits stay local and are re-invested back into the local economy in the form of loans to individuals, families and small businesses. All decisions are made right here, by people who live here and are connected to our community. Stop by one of our full-service branches and experience what sets RCB apart!



## Fortuna



B R A N C H



By print time, the Fortuna Rodeo will be a happy memory. There is always a lot of excitement as Rodeo week approaches and this year, more than ever! It is in part due to the fact it was the 100th anniversary and partly I think because people are joyful to be out seeing familiar faces and participating in normal activities again. Thursday night of Rodeo week is all about decorating the RCB float. This year, a crew of nearly 20 bank employees, friends and family helped create a really great float for the Rodeo Parade. The main element on our float was a very large, metal buckle created by Mad Metals commemorating the 100th anniversary of the Rodeo, to be presented to the Fortuna Rodeo Association and hung at the Rodeo Grounds.

In other news, a few months back, Tia Tupper-Brownell, our Consumer Loan Manager, finished upgrades to a suite of offices here at the Fortuna Branch. The demand for mortgage lending in the Eel River Valley has been steadily increasing and she has responded by offering increased office hours and additional staff in the branch. She and her team have a wonderful reputation for first-class customer service, fast, efficient loan processing and great pricing. If you have been pondering mortgage finance, now is a great time to call or stop in - and while you are here, check out their new offices.

From all of us at the Fortuna Branch, enjoy the rest of your summer!

Bob Judevine is the VP/Fortuna Branch Manager of Redwood Capital Bank. He can be reached at (707) 726-7718, or via email at [bjudevine@rdwo.com](mailto:bjudevine@rdwo.com)

## 2021 Second Quarter Earnings Release

By RENÉE BYERS



		At Period End		%
		6/30/2021	6/30/2020	Change
Balance Sheet data				
(In Thousands)	Total assets	\$578,236	\$460,130	26%
	Total deposits	\$526,801	\$415,843	27%
	Total loans (net)	\$343,156	\$349,826	-2%

		Current Quarter		%
		6/30/2021	6/30/2020	Change
Summary of Operations				
(In Thousands)	Interest income	\$ 4,248	\$ 3,923	8%
	Net Interest Income	\$ 3,921	\$ 3,539	11%
	Book Value per common share	\$ 19.33	\$ 16.94	14%

Renée Byers is the SVP/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)



## Arcata

B R A N C H



It is so nice to see Arcata coming back to life. Restaurants are filling up, people are enjoying the Farmer's Market on the Plaza again and the Sunday Art Market is in full swing! Despite the foggy summer so far, people are in good spirits and enjoying a little more freedom now that some pandemic restrictions have been lifted. We are also pleased to be seeing some old traditions making a comeback this summer. While not the same look as previous years, Oyster Fest Express took over the Creamery District in late June and was a big success.

Things are getting back to normal at the Arcata Branch as well. We have some new faces with Jackie Garcia and Kayleen Nelson joining our team. Both are doing exceptionally well and providing RCB-level service right off the bat. Grace Maples has moved into her new position as our Arcata Branch Relationship Representative and is already helping folks move their relationships from other financial institutions.

Overall, the Arcata Branch is better than ever and we look forward to seeing you soon before we have to say goodbye to summer!

Jamie Anderson is the AVP/Arcata Branch Manager. He can be reached at (707) 269-4410, or via email at [janderson@rdwo.com](mailto:janderson@rdwo.com)



# Ransomware Revisited



By DAVE TIERNEY

If you follow the news, you probably know that last May, Colonial Pipeline was shut down by ransomware leading to gas shortages across the East Coast. What you may not know is that the whole mess was instigated by a single compromised password on a virtual private network account that allowed employees to remotely access the company's computer network.

According to Colonial's security consultant, the VPN account was no longer being used by company employees and yet the access had not been disabled. The account's password was discovered within a batch of leaked passwords on the dark web, an indication that an employee may have used the same password on another account that was previously hacked. Colonial Pipeline ended up paying \$4.4 million in Bitcoin ransom to obtain the encryption keys needed to recover their data. They did receive the keys, but ended up restoring the data from backups because the decryption process was so slow. In a somewhat satisfying twist, federal investigators were able to find and recover about \$2.3 million of the ransom money, but Colonial was still out \$2 million, to say nothing of the lost revenue associated with shutting down the pipeline.

There are several morals to this story:

- One password. That's all it took. A single point of failure can wreak havoc and cost a fortune.
- Disable unused computer accounts.
- It's a security risk to use the same password for multiple accounts.
- If you are victimized in a ransomware attack, don't pay the ransom to get your data back. There's no guarantee your data will be recovered and research shows that almost half of all ransomware victims are hit again by the same attacker.
- Make sure you have solid, reliable backups of your critical data.

Dave Tierney is the SVP/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)



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**ARCATA BRANCH**  
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Arcata, California 95521  
(707) 826-0878



**HENDERSON CENTER BRANCH**  
2816 F Street  
Eureka, California 95501  
(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.

## BANK HOLIDAYS/ HOLIDAY HOURS

Monday, September 6:  
Labor Day\*

Monday, October 11:  
Columbus Day\*

\* denotes closure

Cover photos by:  
Michael McCoy  
Bank Exterior Photos by  
Gary Todoroff -  
[northcoastphotos.com](http://northcoastphotos.com)



## Dividend Update

The Redwood Capital Bancorp Board of Directors recently declared the 38th consecutive quarterly cash dividend. The dividend of \$0.07 per share was payable on August 6, 2021 to shareholders of record at the close of business on July 26, 2021. The dividend is equivalent to an annual rate of \$0.28 per share or 1.30%, based upon a market price of \$21.56 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 CFO Renée 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  
Renée Byers, SVP/CFO  
Jennifer Budwig, SVP/CLO  
Michael McCoy, SVP/Risk Manager  
Dave Tierney, SVP/IT Director

## Board of Directors

John J. Gierke, Jr., Chairman  
J. William McAuley, Vice Chairman  
John E. Dalby  
Jennifer Harris  
W. Timothy Needham  
K. Jeff Nelson  
Michele Rieke  
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

