

COMMUNITY Interest

THE QUARTERLY NEWSLETTER
FOR REDWOOD CAPITAL BANK

PHOTO BY: MARY CURLESS SMITH

20 Years Strong

By JOHN DALBY

As we head into the home stretch of 2024, I am grateful for the opportunity to look back over the past 20 years - when Redwood Capital Bank first started in 2004 to where we are today. Our staff has multiplied five times in two decades and what was once one main branch in downtown, Eureka, is now four branches strong, from the Eel River Valley to northern Humboldt. We have come a long way!

I am pleased to take this opportunity to announce the hiring of Stephanie Bye. Stephanie joins Redwood Capital Bank as our Senior Vice President, Chief Risk Officer. Stephanie has a long list of credentials (for Ms. Bye's bio, please visit www.redwoodcapitalbank.com) and we are thrilled to have her join our management team. Stephanie is a member of the 2024 graduating class of Pacific Coast Banking School (PCBS) at the University of Washington's Foster School of Business. There, she graduated at the top of her class, receiving the Kermit O. Hanson Award of Excellence. Additionally, Stephanie was named to their honor roll, representing the top 10% of the class (for more PCBS graduate information, please see page 2).

Additionally, please help me welcome Michele O'Brien to the Redwood Capital Bank team. Michele has accepted the position of Eureka Branch Manager. Michele comes to Redwood Capital Bank with more than 30 years of financial experience. The next time you are in the Eureka Main Branch, please take a moment and introduce yourself to Michele. We are



...Humboldt County's Community Partner

fortunate to have her with us and she looks forward to working with you.

Over the years, Redwood Capital Bank has had the distinction of receiving many awards from local, regional and national organizations. From *Best Banks to Work For*, *Super Premiere Performing*, 5-Star ratings, to *Best Bank*, *Best Place to Get a Loan* and *Best Customer Service*, we are honored to be recognized for our efforts. Recently, we were notified that we are receiving four awards from the Humboldt County Listener's Choice and one award in particular stands out – Gold Medal for *Best Community Partner*. I cannot think of a more fitting award for a community bank to receive. At the heart of it all, our very purpose is to help people right here at home. As Humboldt County's local, community bank, we are here to be a good neighbor, to provide local jobs, make loans to small businesses and families and to help you succeed - the commitment to our community is always at the forefront of everything we do.

Here's wishing you a joyful holiday season and thank you for making Redwood Capital Bank your local bank of choice - 20 years strong.

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



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Navigating Rate Cycles with Your Best Interest at Heart

As we continue to celebrate 20 years of serving Humboldt County, we reflect on what makes community banking truly special – our commitment to our customers, no matter the economic environment. One of the most important aspects of banking that affects all of us is interest rates, which go through cycles of highs and lows. It is natural for people to shop around for the best rates, especially when making important financial decisions.

At Redwood Capital Bank, we understand that rate shopping is part of the process but want to emphasize that our commitment to your financial success goes beyond just numbers. While rates are important, they are only one part of the equation. As your local, community bank, we believe in building long-term, mutually beneficial relationships with our customers. We don't just offer competitive rates – we offer personalized service, flexibility and a deep understanding of our local economy.

Our team is always ready to work with you,

Third Quarter 2024 Earnings Release

By RENÉE BYERS



tailoring solutions that align with your needs, regardless of where we are in the rate cycle. You can count on Redwood Capital Bank to have your best interest at heart.

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



		At Period End		%
		9/30/2024	6/30/2024	Change
Balance Sheet data				
(In Thousands)	Total Assets	\$534,174	\$520,378	3%
	Total Deposits	\$470,547	\$460,814	2%
	Total Loans (net)	\$380,926	\$383,123	-1%

		Current Quarter		%
		9/30/2024	9/30/2023	Change
Summary of Operations				
(In Thousands)	Interest Income	\$6,065	\$5,512	10%
	Net Interest Income	\$4,662	\$4,939	-6%
	Book Value per Common Share	\$ 25.95	\$ 21.58	20%



Congratulations PCBS Graduates

By JENNIFER BUDWIG

John Dalby summed it up best when he announced at a recent staff meeting, “Redwood Capital Bank sent two people to banking school, but we came out with three.”

Meghann Broadstock, VP/Henderson Center Branch Manager and Commercial Loan Officer and Yvonne Evenson, VP/Commercial Underwriter began their three-year commitment at Pacific Coast Banking School (PCBS) in August 2021. While there, they met a colleague, Stephanie Bye, (see story on front page) who has recently joined the Redwood Capital Bank team as our new SVP/Chief Risk Officer.

Since 1938, the prestigious Pacific Coast Banking School has partnered with the University of Washington's Foster School of Business to provide this three-year graduate-level program to leaders of the financial services community. Graduates receive an Executive Leadership certificate from the renowned Foster

School of Business at the University of Washington in addition to their PCBS diploma.

Graduating from PCBS is a tremendous achievement. These ladies join fellow Redwood Capital Bank members, John Dalby, Tammy Brown, Renée Byers, Dan Haskins, Dave Tierney and me as PCBS graduates.

Meghann, Yvonne and Stephanie completed courses encompassing risk management, financial performance, innovation and leadership to build upon their understanding of the business of banking. Each completed six rigorous assignments, as well as an originally researched management thesis. Stephanie graduated top of their class and Meghann's thesis paper, *The Impact of Succession and General Change on Redwood Capital Bank* has been added to the school's permanent Lending Library.

Congratulations Meghann, Yvonne and Stephanie – we are so proud of you!

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





Henderson Center Branch Update

By MEGHANN BROADSTOCK

Holidays in Henderson Center are magical and exactly what traditions are made of.

Two of Henderson Center's largest events are held every Fall – the Henderson Center Trick or Treat and the annual Holiday Open House. Each event sees several thousand people in attendance. Henderson Center truly embodies community spirit and if your family has not yet attended either of these free events, I would encourage you to do so next year and experience the holiday magic.

These events would not be a success without the incredible merchants that are our neighbors and friends. Their generosity and community spirit are infectious; please consider them when you are out and about doing your holiday shopping this year.

Additionally, these events would not happen without our staff who generously volunteer their evening and weekend time to give back to the local community. The Henderson Center Branch staff never hesitates to participate, they are the heart and soul of our branch.

I am excited to announce that as of early November, I am now managing the Henderson Center Branch full-time, along with my commercial lending duties. The Eureka Main Branch has been my work home since I began my banking career at Redwood Capital Bank as an intern in high school. I have spent the past year splitting my time between both the Eureka and Henderson Center branches and I look forward to spending my time here in the friendly Henderson Center business district. I want to thank our customers and staff for their support as I make this transition.

On behalf of the Henderson Center Branch, thank you for choosing Redwood Capital Bank. We love being a part of this amazing community and are honored to be your friends and neighbors. Happiest of holidays and here's looking forward to a prosperous new year.

Meghann Broadstock is the VP/Henderson Center Branch Manager and Commercial Loan Officer of Redwood Capital Bank. She can be reached at (707) 444-9845 or via email at meghann@rdwo.com



Share the Love

By MARY CURLESS SMITH



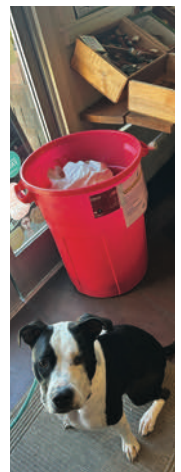
As a small business in Humboldt County, Redwood Capital Bank understands the importance of doing business locally. For the past several years, our staff members have received Visa gift cards and have been asked to "Share the Love" by spending their gift cards at a local business in our community. Below are a handful of photos of our RCBers (and a furry friend) having fun and keeping their dollars local.

Mary Curless Smith is the VP/Marketing Director of Redwood Capital Bank.

She can be reached at (707) 444-9819 or via email at msmith@rdwo.com



Lauren, Amy and Kylie at Lighthouse Mini Golf



Dolly at Humboldt Pet Supply



Nichol at Land of Lovely



Nanette at RMI Outdoors



Brian at Picky, Picky Picky



Mary and Cindy at Timber



Redwood Capital Bank offers the same commodities that the big banks do – even consumer and business credit cards. We make it easy to choose the credit card that is right for you. Individuals can choose from Mastercard® or Visa® - Low Rate or Preferred Points Reward. World Card is available to all Mastercard® applicants. Businesses can choose from a Standard Card with no annual fee or the Preferred Points Rewards Card, both are available in either Mastercard® or Visa®.

A complete list of card benefits and options can be found on Redwood Capital Bank's website. Applying is easy. Visit www.redwoodcapitalbank.com, select either Personal or Business and go to the Credit Card section. Download the application and submit. Redwood Capital Bank customers can also apply online under online banking. See application for current APR's and fees. Application is subject to approval.



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



HENDERSON CENTER BRANCH
2816 F Street
Eureka, California 95501
(707) 444-9888

**BANK HOLIDAYS/
HOLIDAY HOURS**
Monday, November 11:
Veteran's Day*
Thursday, November 28:
Thanksgiving Day*
Friday, November 29:
9:00 a.m.-3:00 p.m.
Tuesday, December 24:
9:00 a.m.-3:00 p.m.
Wednesday, December 25:
Christmas Day*
Tuesday, December 31:
9:00 a.m.-3:00 p.m.
Wednesday, January 1:
New Year's Day*
Monday, January 20:
Martin Luther King Jr. Day*
* denotes closure



Dividend Update

The Redwood Capital Bancorp Board of Directors recently declared the 51st consecutive, quarterly cash dividend. The dividend of \$0.08 per share was payable on November 13, 2024 to shareholders of record at the close of business on October 28, 2024. The dividend is equivalent to an annual rate of \$0.32 per share.

For more information regarding investing in Redwood Capital Bancorp, please visit: 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.

Senior Management

John E. Dalby, President & CEO
Jennifer Budwig, SVP/CLO
Tammy Brown, SVP/CCO
Renée Byers, SVP/CFO
Stephanie Bye, SVP/CRO
Dave Tierney, SVP/CIO

Board of Directors

J. William McAuley, Chairman
Steven M. Strombeck, Vice Chairman
Tyrone Champ
John E. Dalby
John J. Gierek, Jr.
Jennifer Harris
Benjamin McWhorter
W. Timothy Needham
K. Jeff Nelson
Michele Rieke

Bank Exterior Photos by:
Gary Todoroff
northcoastphotos.com

redwoodcapitalbank.com

HOURS OF OPERATION

Monday - Thursday:

9:00 a.m. - 5:00 p.m.

Friday: 9:00 a.m. - 5:30 p.m.

MEMBER FDIC



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.