

CHAPTER NINETEEN
My Banking Career
United California Bank
(Los Angeles, CA 1972 - 1976)

I played the advance scout and moved from Concord south to the Hyatt Regency Hotel in downtown Los Angeles. My predecessor had retired prior to my arrival. I inherited his late model Ford bank car and used the late afternoon to become acquainted with Orange County to the south as a prospective home location. Man, my first exposure to the rush hour car mania was really something! It felt as if I was driving onto the Indianapolis Speedway as I entered the onramp from downtown L.A..

I finally located a new housing tract about three city blocks from the Pacific Oceans in southwest Huntington Beach. Didn't know this until years later, but in the 1920's this Orange County area had been rocked by a massive earthquake. Our home site then was unpopulated bean fields and land fill at that time. I'm told it would have been the epicenter of the massive quake.

Susan was greatly impacted. I look back now, and but wonder how she withstood this move as a junior to yet her third high school. Bruce and Kevin would enter the seventh grade.

Dolly joined me in Los Angeles on a trip and we selected a home under construction in the aforementioned Huntington Beach location. The bank purchased our home in Concord and we rented in Los Angeles on a short term basis. Our rental on Balboa Island in Newport Harbor was fairly close to the children's new schools, so Dolly drove them while waiting for our home to be finished. I too had a commute. Eventually it would be about eighteen miles between Huntington Beach and Long Beach, but both the home and office had to be constructed. So for about six months I too had a lengthy thirty mile commute from Newport Beach north to Torrance.

Balboa Island is a small island located in the beautiful and tony Newport Harbor. The Newport Harbor Yacht Club was nearby and we spent many happy hours sitting on the sea walls and watching the very expensive yachts sail pass. I have an interesting anecdote about the twelve meter yacht Columbia and its skipper Bill Ficker which will be shared momentarily.

Our interim home was a small cottage built in the 1930's. The package with land in 1972 was valued at about a million dollar. So, we enjoyed our short-term snobbery.

Our new permanent home in Huntington Beach was two stories on a cul-de-sac and located about three city blocks from the Pacific Ocean. Bruce and Kevin discovered the ocean and also furthered their strong interest in tennis. The bank bought me a family membership at the nearby Mesa Verde Country Club, which had a beautiful eighteen hole golf course and also a mammoth tennis complex.

My new regional staff represented a sizable enlargement from like regional staffs of the past. We now had in addition to credit, operations, personnel and marketing the additional functions of "Planning & Control". We became autonomous in the two functions of budget planning and measurement and all facets of personnel administration. Credit now was centered upon consumer and real estate lending. Under marketing we were also to seek out new branch locations and develop and support presentations for approval.

I well remember my first branch managers' meeting. I had about seventeen branches located in south Los Angeles County. I was the new kid on the block from the northern California. Remember California in reality is two states, i.e. north and south and very independent of each other. I was sort of the ninety day wonder, even though I had more actual banking experience than most of my managers. Don Funk, my new credit administrator was a former branch manager and extremely helpful as was Carolyn Uhl my regional operations and personnel manager who had been operations manager at the Long Beach Main branch. My Planning and Control officer, Page Billings was a former manager, but neither he nor I had prior actual experience in this planning function. My managers' meeting went well and we were off to a reasonable start. This first meeting was held in one of the meeting rooms of the Hyatt Regency Hotel in downtown Los Angeles.

My initial involvement in southern California was split between meetings with Van der Zee's staff in downtown Los Angeles, and my staff and my managers at their branches. Wells Fargo Bank (Wells) became our principal competitor in this new field of retail banking. Wells started in San Francisco and had spread south to southern California in 1960 as Wells acquired the American Trust Company in southern California. Wells was committed to spreading retail banking ala the Booze, Allan & Hamilton report... and we at UCB were to play catchup, particularly with consumer product development. In retrospect our senior management was not fully committed to the real concept of retail banking. Our branch system, both north and south had been assembled by combining small banks and branches acquired principally in the First Western and California Bank heydays of the 1950's. Here the manager remained in effect the president of his little domain. Very little was centralized or decentralized. So, to attempt change on day one without explicit guidelines and checks and balances was an effort doomed to defeat.

UCB's "Personal" and "Corporate" banks began to compete against each other. For example at the Crenshaw and 147th Branch in my region VII the Corporate Bank maintained a sub center for that geographic area whose staff looked down their noses at the Personal Bank staff who they rubbed shoulders with in the same branch buildings. This atmosphere was repeated throughout the bank.

Senior management became concerned with respect to the lack of overall bank performance. At the same time we in the Personal Bank observed our lack of true new banking services for individuals. Nationally Citibank and Wells Fargo Bank were bundling packages of services to compete with the emergence of the brokerage houses and savings and loans into the commercial banking arenas. Wells Fargo introduced the Gold Account a bundled package of checking, savings and credit card services at a lesser cost to the customer. UCB would follow with the United Account and we truly had our first fresh new product to merchandise.

Branch locations were still king. We were just approaching the introduction period of automatic teller machines, grocery store branches and remote drive up locations. So, at least in the 1973-74 time period it mattered who had the greatest number and the best locations. In California it was most definitely the Bank of America with between 1,000 – 1,200 separate branch locations. Branch banking was still restrained outside of California and for the most part limited to county or single state exposure.

Two interesting things happened, involving me. First, one day I received a telephone call from Bill Ficker. Bill was an architect in Newport Beach, Ca.. He had skippered the twelve meter yacht, Columbia, in its successful defense of the America's Cup Yacht Race at Newport, Rhode Island. This was an international event held every four years for more than a century. He had attended the open house for our brand new Marina del Rey Branch which featured a giant mural (created from a New York Daily Mirror famous photo with author rights) of the Columbia winning the Cup. Bill was attempting through me to gain an architectural assignment with UCB as we expanded our branching system. He invited Bruce, Kevin and I to a day's sail on the Columbia out of Newport Harbor. Kevin had a bad cold, so Bruce and I accepted the invitation. What a glorious day! Bill had a pickup crew of about eight young men who lived to sail. We left our berth and solely under the power of sail navigated throughout the narrow estuaries of Newport Harbor, passing by the Newport Yacht Club for their salute and finally out to sea. We challenged an ocean going trimaran (three hulled sail boat) to a series of races on a huge ocean triangular racing course. Throughout the day Bruce and I took turns with others at the helm (giant wheel) and we separately lived a Walter Mitty moment of sailing into, with and sideways to the wind.

After a full day we returned into narrow and long Newport Harbor... no motors, just under sail.

We were unable to utilize Bill Ficker's firm in our branch expansion program, but he would call up from time to time and whenever passing on highway 101 south I would spot the tall mast of the Columbia at berth and relive our wonderful day.

Dolly and I attended the gigantic boat show at the Los Angeles Convention Center. I got the bug and purchased a seventeen foot cabin sailboat complete with swing keel and trailer. We were to christen this mighty boat "The Pooka" after Robbie and I painted a delightful Disney Pooka Rabbit on the transome. My hope was to create a family interest but the boys were so into tennis at school and also Mesa Verde CC that Dolly and I were left to ourselves for most sails with one real important exception. The boys and I one summer trailered the Pooka to mile high Big Bear Lake east of Los Angeles. We rented a cabin, moored the Pooka in the lake and spent a wonderful back to nature week with the boys fishing every day, watching the annual burro races, and living like mountain men.

I attended the Power Squadron course at the Newport harbor Yacht Club. There I refreshed navigation, piloting and rules of the road since I was about twenty years away from the USS Twining and navy days. I passed this 12-16 week course with a perfect score in the final chartering exam and was asked to become an instructor which I did for one semester. But with the developing turmoil at UCB I really didn't have the time for this avocation.

Our bank really struggled throughout 1973-74. We weren't generating sufficient earnings for the stockholders. Also impacting was the beginning of an international era of double digit inflation. The bank became interested in looking ahead to the product of the next 25-30 years. Remember, at this time we were still pre-microcomputer. Our IBM main frame accounting computers were huge and very expensive and relatively slow by today's standards. UCB hired the Arthur Little Consulting Firm out of Boston, Mass. to explore its future needs of products and products delivery systems. To this day I don't know how or why they chose technophobe Bob Quigley, but I was selected for temporary duty to turn my region over to Don Funk and form a bank-wide study group with Arthur Little. In subsequent years I became a "change agent" as banking would commence huge technical changes in the era 1980-2005. I can trace this interest and commitment back to this temporary assignment in 1974 with the Arthur Little Company.

I can't remember his name, but the lead agent from Arthur Little was a doctor of philosophy (PhD) and just a brilliant man. I'll call him Sam. Sam led me through the hoops of automatic teller machines (a new product coming on line), grocery store banking, point of sale machines for card purchases and a myriad of other "wonders"

which today, 2011, are commonplace in the industry. Every Friday Sam and I would conduct a briefing meeting with our bank and holding companies managing committees which meetings were chaired by Western Bancorp Chairman, Norm Barker. The subjects studied and interest level were intense and compelling. Yet, in retrospect we should have lodged this study group with the Cashier's Department and Central Operations. I believe they felt left out, as anything we would change or implement would have to start and end with computer support.

Simultaneously UCB was once again re-evaluating the 1972 decision to create the Personal and Corporate Banks. Very few of our senior officers were happy with the bank's overall performance as measured by bottom line earnings performance. John Harrigan who was the president of our affiliate bank in Washington State was made the Vice Chairman of the Board of UCB in 1974. He was placed in charge of an Ad Hoc Committee to re-evaluate the impact of the 1972 reorganization of our bank. As a first step he asked each of UCB's Regional Managers in both the Personal and Corporate Bank to share their written recommendations as to what should or could be done to right our ship. I still have my five page memo with enclosures and have attached it (styled – Harrigan Report) as an exhibit for my reader's perusal. With the benefit of hindsight and what would be an additional eighteen year career in banking thru 1992 I believe that my recommendations if implemented would have carried the day. In actuality Harrigan's efforts sort of trailed off and this plus ignoring the Arthur Little Task Force Recommendations would ultimately help to seal the ultimate fate of UCB and WBC in the early 1990's.

The bank next asked my boss John Van der Zee to rethink the 1973 bank reorganization. John did this over the period where I was on separate assignment downtown with the Arthur Little Task Force. I was invited to participate with John's staff in the brainstorming sessions held at Van der Zee's beautiful home in Palos Verdes Estates overlooking the San Pedro Harbor. I was selected from other regional managers because of my experience with the EFT Task Force, my personal knowledge of north and south California, my acquaintanceship with management and personnel statewide and my track record as an administrator.

We met almost every evening for a few weeks. The principal contributors to this ad hoc committee were Van der Zee, Bob Stanley his credit assistant, Jim Burns his planning & control officer and myself. We reviewed Harrigan's studies and the input contributed by the ad hoc committee members. We as a committee decided:

1. To retain separate corporate and personal bank centers.

2. To have centers and branches operating in the same geographic area report to a single administrator. Thus, the separate administrations of corporate and personal would be eliminated throughout.
3. Combine regions where possible. For example old regions VII (South Los Angeles County) and VIII (Orange County) would be combined into one region headquartered in Orange County. In this case I would be the surviving regional administrator. Dan Smith, my counterpart in old region VIII would become my credit administrator for all credit, i.e. commercial (Corporate centers), Real Estate and Consumer (branches). This combined Region VIII would now include fifty (50) branches and two corporate banking centers.
4. Van der Zee would head the new California Banking Group. Dick Starr would become John's credit administrator and Bob Stanley would become John's executive assistant.
5. Jim Burns would move on to the position of Controller for the entire UCB and later Western Bancorp.

About this time Norm Barker hired Joe Pinola from the Bank of America. Joe would become the President of UCB. He brought with him an assistant of B of A, Don Crivellone who worked for awhile as a special project assistant.

Overall, the decision to create fewer but heavier staff supported regions was a wise and good move. About this time Harry Johnston, V.P., the senior Operations Officer of our Arizona affiliate (First National Bank of Arizona) was detached for temporary duty to Los Angeles. His role was to create a series of centralized Electronic Data Processing Centers for the twenty-three bank Western Bancorp System operating throughout the eleven western states and to develop state-of-the-art main frame systems with now dependable telephone transmission systems making it possible to support these cost savings mergers. With continued evolutions in this area we were approaching the threshold of some introduction of what would soon would be called "electronic banking".

I managed the new region VIII from Orange County for about six months. My principal footprint for posterity was to create a workable organization, to implement the new bank decentralized personnel administration and to assure proper training and managerial controls. I had one of the best loan administrators in Dan Smith and a spiritual friend.

John Van der Zee had two direct reports, Al Kingman, Executive Vice President in the North and Dick Starr, Exec VP in the South. I enjoyed my brief time with Dick and things were settling down at the bank. Most of my peers were Senior Vice Presidents while I still remained with the Vice President title. It didn't appear that this disparity bothered anyone but me, but it sure bothered me. Every third Monday when United California Bank's Board of Directors met I was expecting a telephone call with the good

news of the new title... but alas, no call! Then one day my good friend Ed Flynn from personnel called and told me to come on down for a visit with Van der Zee and himself. Sort of strange and certainly not a third Monday... When the bank recently redid its 1973 merger it combined the Fresno (San Joaquin Valley) and Sacramento (Sacramento Valley) regions into one managed out of Sacramento. Clint Luhmann in Sacramento was to be the surviving administrator and Bob Sproul in Fresno was to retire. The loan and operations staffs were to remain in Fresno subordinate to their like peers in Sacramento. It wasn't working! Remember, I had previously been an assistant manager in Sacramento, Credit Administrator for the Sacramento Valley from San Francisco and manager of Fresno Main.

So, Van der Zee wanted me to move to Sacramento and close Fresno Administration merging everything into a new and enlarge regional headquarters in Sacramento for both valleys. We would have about fifty branches. He knew that I knew all of the managers and was highly respected throughout northern California. Plus, I now knew the key UCB players throughout southern California. My answer, yes, but: one, the Senior Vice President title and, two, no reporting to San Francisco. I would report directly to Van der Zee. I also let it be known that for my next corporate move I would like to be considered in the pool eligible for the Chief Executive Officers position at one of Western Bancorp's subsidiary banks. John answered yes to all three plus a nice raise. I now was earning about eighty thousand a year plus annual bonus potential.

Our southern California personal family period (1972 -76) was in retrospect a time of overload. Initially we were operating in the post-Robbie period. This was a tough, tough time for Dolly. Both of our families were 3,000 miles away, so she kept her grieving to herself. She suffered from Graves Disease and as a result lost her thyroid. Susan was exposed to her third high school and initial exposure to junior college while we lived in the Los Angeles area. Bruce and Kevin graduated from the eighth grade in 1974 and entered high school. They both continued to be consumed by tennis in the Jimmy Connor, Ilie Nastase era and grew their hair long as did their peers.

I was so damned busy that they all at times lacked my involvement and support. However, Dolly retained order, we churched together every Sunday, the children received Christian Doctrine Class exposure and we ate together as a family every evening.

Our children are resilient. Their frequent moves have taught them to more easily adapt to change and new personal relationships. Remember, we were transitioning through the hippy era and immediate post Vietnam times. I so admire our children for meeting their personal challenges, as did their mom and dad.

Dolly and I together prayed and supported each other during our terrible ordeal with precious Robbie. We're told that not many couples survive these types of challenges together. I had some experience having watched my parents suffer similarly with dear brother Danny in 1947; but, nothing does prepare you completely. We're fortunate that we have the same faith and that we committed our lives to each other in this faith back in 1953. We had some real tough times during the bank's turmoil of 1972 -76... The bank made so many demands on my time that Dolly and I strained to keep it all together, but, together we did!

I believe in retrospect that the forthcoming move to Sacramento during the summer of 1976 was a Godsend. Back to more familiar surroundings, out of the rat race of southern California and the commitment of the bank for full support.

Susan worked part-time at Disneyland. We bought her a small hatched back car and she attended junior college. She remained behind in southern California to finish school and moved in with one of her girlfriends. So, we were to trek north as four instead of five down one more from the original six.

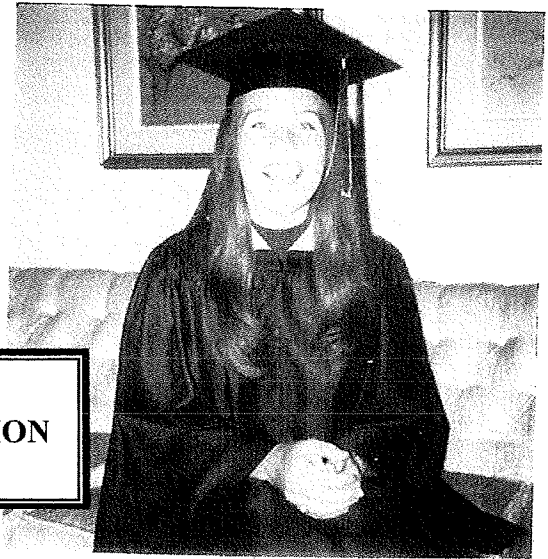
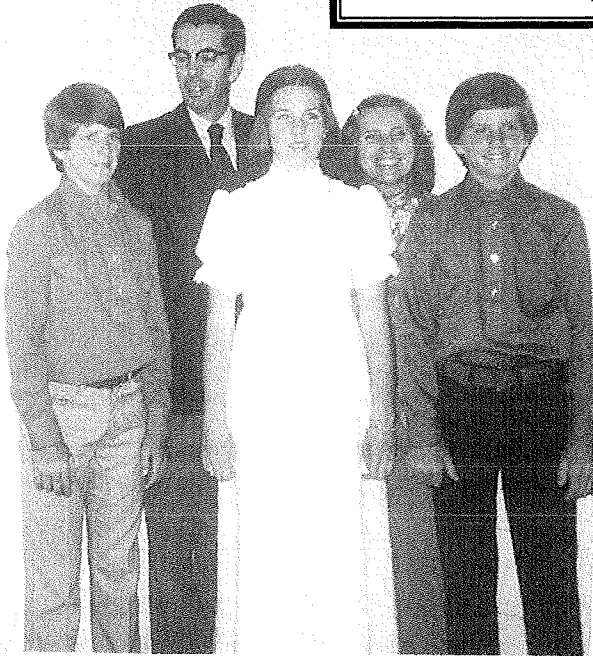
We luckily held the keys so to speak and profited as the potential movers in the Northern Regions, thus the wonderful move back to Sacramento in 1976. Dolly despite her Robbie-related problems held us all together and we grew as a family and interdependency. Note my earlier comments "Dolly retained order, we churched together every Sunday, the children received Christian Doctrine Class exposure and we ate together as a family every evening". Not everyone's cup of tea, but it worked for us and leaving Los Angeles in 1976 would greatly help in the next period of our shared life together.

REPRISAL

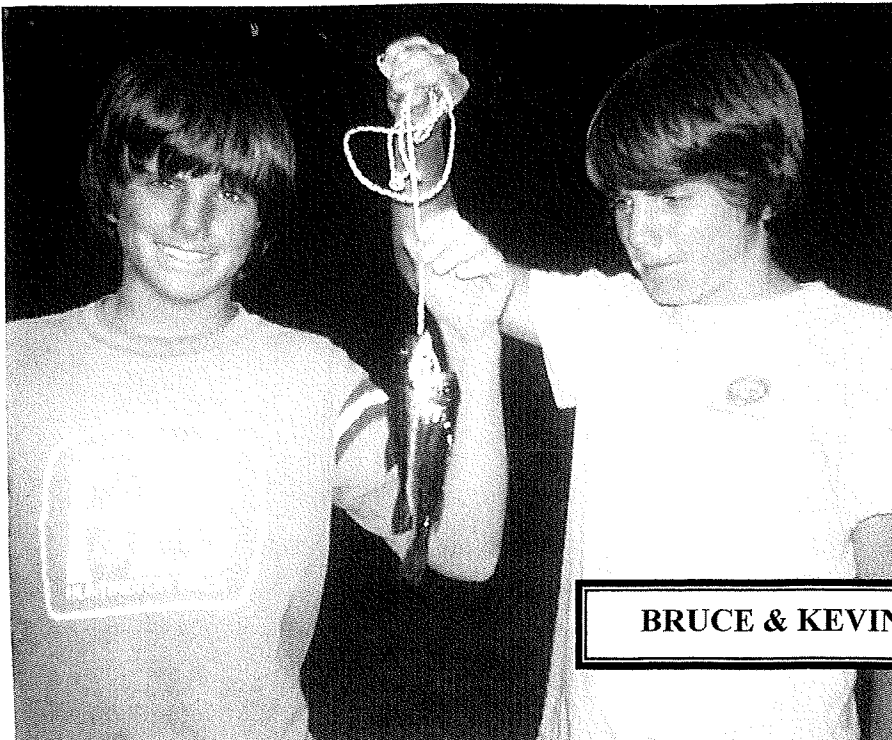
Los Angeles was our watershed assignment to this point of our career. Western Bancorp was in a real state of turmoil, attempting to provide a decent return on its stock post Basil, Switzerland and post reorganization at its largest affiliate, United California Bank.

I took over Region VII (south central Los Angeles) where the Watts Riots just a short time before had partially destroyed the area. I do believe that during the period 1972 -76 that my Region became the closest achiever to what the Booze Hamilton Study envisioned as a retail bank. However, such achievements come at a price to family, health and soul.

(LEFT TO RIGHT) KEVIN, BOB,
SUSAN, DOLLY & BRUCE
1974



SUSAN'S
HIGH SCHOOL GRADUATION
JUNE 1974

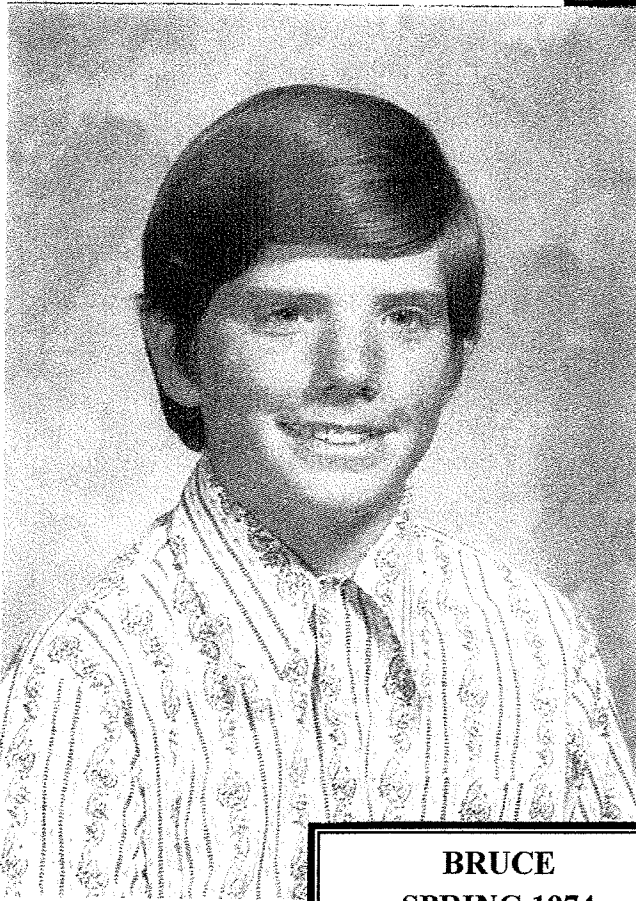


BRUCE & KEVIN AT BIG BEAR LAKE

**KEVIN
HIGH SCHOOL CROSS COUNTRY TEAM**



**BRUCE & SUSAN ON "THE POOKA"
NEWPORT HARBOR**

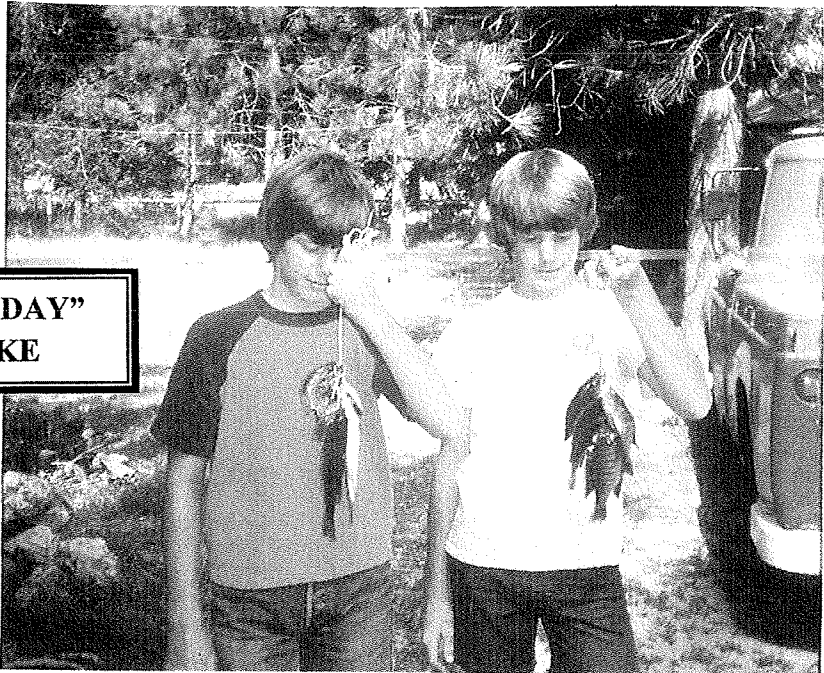


**BRUCE
SPRING 1974**





**OUR HOME
9721 ALLISON CIRCLE
HUNTINGTON BEACH, CA**



**"CATCH O' THE DAY"
BIG BEAR LAKE**



**JACK SNOW, WIDE RECEIVER
FOR THE L.A. RAMS
UCB BRANCH OPENING**

EMPLOYEE NAME Quigley, Robert C.	EMPLOYEE NO. 70260	PERIOD OF APPRAISAL FROM July 1975 TO July 1976
POSITION Region #5 Administrator	UNIT NAME California Banking Group	SALARY GRADE S02-3069

PERFORMANCE APPRAISAL

List Major Areas of Responsibility (Credit, Operations, Supervision, Business Development, Project Mgt., etc.).	State briefly results achieved during the appraisal period in terms of key events, cost reductions, revenue generated, or other qualitative or quantitative measures of performance for each area of responsibility. Explain any extraordinary conditions which have affected results.	Compare each set of results against expectations by recording "Below", "Met" or "Exceeded"
<p>AFFIRMATIVE ACTION (comment if individual has supervisory responsibilities).</p>	<p>Mr. Quigley continues to perform exceptionally well in whatever assignments are given him. He spent the first half of this review period as Administrator for what is now half of his present span of branches, while also serving on several key committee assignments, most notably, the EFTS Task Force.</p> <p>His region encompasses Southern Los Angeles County and Orange County (49 branches). He exacts performance through a series of results-oriented activities, such as the establishment of Unit Management Plans which form the basis for branch performance reviews. The first-quarter financial results point to his being well in control of the trends within the region.</p> <p>He is analytical to an extreme, breaks problems down and analyzes possible solutions by individual elements. He is not tradition-bound and therefore applies innovative solutions.</p>	

**BOB'S PERFORMANCE APPRAISAL
JULY 1976**

PERFORMANCE RATINGS

General Performance Summary (Check One):	<input type="checkbox"/> BELOW - Expected Results	<input type="checkbox"/> MET - Expected Results	<input checked="" type="checkbox"/> EXCEEDED - Expected Results	
Rate of Performance Improvement over this Appraisal Period (Check One):	<input type="checkbox"/> NONE	<input type="checkbox"/> LOW	<input type="checkbox"/> NORMAL	<input checked="" type="checkbox"/> RAPID
SUPERVISOR'S COMMENTS ON RATINGS:				
<p>This has been a period of trauma for the bank (reorganization, uncertain economy), and Bob has worked hard to develop a strong, disciplined, cohesive effort to respond. It is too early to tell how really effective his efforts have been.</p>				

PERFORMANCE IMPROVEMENT PLAN

CHECK INDIVIDUAL'S STRONGEST SKILLS OR PERSONAL QUALITIES:

- | | | | | |
|---|--|---|--|--|
| <input checked="" type="checkbox"/> Planning | <input type="checkbox"/> Leading | Relationships with: | <input checked="" type="checkbox"/> Initiative | <input checked="" type="checkbox"/> Adaptability |
| <input checked="" type="checkbox"/> Organizing | <input type="checkbox"/> Selling | <input checked="" type="checkbox"/> Peers | <input checked="" type="checkbox"/> Poise/Presence | <input checked="" type="checkbox"/> Reliability |
| <input checked="" type="checkbox"/> Controlling | <input checked="" type="checkbox"/> Developing employees | <input type="checkbox"/> Subordinates | <input checked="" type="checkbox"/> Persuasiveness | <input checked="" type="checkbox"/> Credit |
| <input type="checkbox"/> Motivating | <input checked="" type="checkbox"/> Problem solving | <input checked="" type="checkbox"/> Superiors | <input checked="" type="checkbox"/> Resourcefulness | <input checked="" type="checkbox"/> Operations |
| <input checked="" type="checkbox"/> Delegating | <input checked="" type="checkbox"/> Analyzing | <input type="checkbox"/> Customers | <input checked="" type="checkbox"/> Innovativeness | <input type="checkbox"/> Other technical speciality; |
| <input checked="" type="checkbox"/> Managing time | <input checked="" type="checkbox"/> Decision making | <input checked="" type="checkbox"/> Results orientation | <input checked="" type="checkbox"/> Perseverance | |
| <input checked="" type="checkbox"/> Supervising | <input type="checkbox"/> Communicating | <input type="checkbox"/> Judgment | <input checked="" type="checkbox"/> Stress tolerance | |

STATE SKILLS OR QUALITIES WHICH SHOULD BE STRENGTHENED TO SIGNIFICANTLY IMPROVE INDIVIDUAL'S PERFORMANCE. DESCRIBE PLANS FOR RELATED DEVELOPMENT ACTIONS. (changes in job responsibility, education, performance counseling, etc.).

Bob needs to project his sincere interest in his people more visibly and effectively. Quite often he is thought to be too intense, too interested in accomplishing the task. By a little warmth and less factual approaches to people he can win their support.

CAREER DEVELOPMENT PLAN Grow in present assignment for the foreseeable future.

POSITIONS TO WHICH THE INDIVIDUAL CAN BE IMMEDIATELY ASSIGNED

1. _____ 2. _____ 3. _____

POTENTIAL FOR INCREASED OR NEW RESPONSIBILITIES:		
Time in Future	Possible Positions or Assignments	Related Developmental Needs and Planned or Recommended Actions
1 - 2 Years
3 - 5 Years

OVERALL ASSESSMENT OF PERFORMANCE AND POTENTIAL

1	2	3	4	5	6	7	(8)	9	10
Unsatisfactory			Satisfactory					Outstanding	

SUPERVISOR'S EXPLANATION OF RATING

He is an extremely able administrator who has performed in an exemplary manner during a difficult period.

EMPLOYEE'S COMMENTS

.....

.....

I have participated in a discussion of the contents of this form and have received a copy.

EMPLOYEE'S SIGNATURE DATE

J. R. van der Zee 5-25-76

SUPERVISOR'S SIGNATURE DATE



HARRIGAN REPORT

INTEROFFICE CORRESPONDENCE Use window envelope for correspondence sent by United States mail.

TO John F. Harrigan
Vice Chairman of The Board

DATE July 2, 1974

FROM Robert C. Quigley

RE: Ad Hoc Committee on Organizational Structure

In accordance with your request I, in my role as a Regional Manager of the Personal Bank, have prepared the following comments for your review and consideration.

A. INTRODUCTION

The complaints arising from the Newport Meeting and enumerated in your 6-25-74 memorandum are basically directed at:

1. Poor working relationships between the State and Personal Bank groups.
2. Lack of understanding of the new role of a Branch Manager.

Before suggesting some solutions to the above, I would like to review some "Assumptions and Observations". I feel this is necessary as a plane of reference for interpretation of my comments.

B. ASSUMPTIONS AND OBSERVATIONS

1. Consumer will be the dominant source of and principal user of funds by 1980 (re: Attached Exhibit I for support).
2. UCB has historically been more business than consumer oriented. Its branch system has been organized to support that posture.
3. The former UCB Consumer Loan Department was primarily geared towards acquisition of dealer oriented paper and loan accumulation over deposit acquisition.
4. The 1973 reorganization attempted to isolate the corporate and retail markets by segment assignment of the Bank's customer and prospect base.
5. The "new" role of a Branch Manager was to be principally "internal" and getting things done through people. The Corporate officer was envisioned as a self starter acting individually. The roles by definition are different.
6. The Personal Bank is the principal supplier of the Bank's deposits with 61% at 5-31-74 (\$3.2 of \$5.3 billion). More importantly \$2.3 billion of 77% of the Bank's time deposits are in the Personal Bank.
7. The Personal Bank is the dominant user of branch wide operation services.

as shown by the following recap at 5-31-74 of the "Number of Accounts". This pattern is consistent throughout the ten Regions, excepting Region 6 (Re: Attached Exhibit II).

	<u>Demand</u>	<u>Savings</u>	<u>United Accts</u>
Corporate Groups	19,000	2,000	
Personal Bank Group	652,000	614,000	105,000

8. The Personal Bank is a large, but not the major, "User of Funds, employing but \$1.2 billion or 26% of the total This includes about \$300 million of real estate loans.
9. UCB implemented a revised accounting system in April, 1974. It was divided into "Domicile" and "Responsibility" sections to provide for "Individual Unit Accountability".
10. UCB inaugurated a hierarchial and additive lending approval procedure. The attempt was to decentralize authority and define and monitor responsibility.

C. REDEFINED OBJECTIVES

Thus, I feel that UCB must continue its program of preparing to serve the changing banking market of 1980. From a practical position we obviously moved too rapidly in 1972-73. Personalities have become involved and strong direction is required by senior management. Equally important is total commitment to our program by middle management and total support by all functional and staff groups.

The Personal Bank needs to be introduced with the support of a continuous advertising effort to our consumer public. It needs new products, mechanization of operations support, and bankwide recognition.

The Corporate Bank, State Division and other units, have to be professionally supported (operations) by the Personal Bank. Finally, there must be an avenue for continuous exchange of officer personnel between Corporate and Personal during a career path progression.

D. RECOMMENDATIONS

My specific recommendations follow:

1. That the roles of Branch Managers, Corporate Center Managers, and Corporate Banking Officers be fully described and disseminated. The Manager's responsibility is to plan, organize, control, and lead others He develops Personal Bank business and makes referrals to the Corporate Bank. He is our community leader.
2. The inter-relationships between Corporate and Personal for career progression be identified. Individuals advancing beyond the Manager or

CBO roles, should be required to have experience in both areas.

3. A formal slide program should be developed to present #'s 1 and 2 above to senior management and all officers of the Bank. Grade levels should be covered, entry level requirements of various jobs, and types of exposure necessary for certain senior assignments.
4. That the title structure of Bank officers be further refined to identify the function, e.g. CBO or PBO only at the lower level and that the corporate designation of "Vice President" and "Assistant Vice President" be used in place of functional titles above the first levels.
5. There should be uniformity in distribution of titles within various areas of the bank, stressing the first priority for line positions.
6. A Personnel Exchange session should be re-established to be held at least monthly. By prior input those officers eligible and/or available for reassignment should be identified. Annual reviews should be monitored at about the E06 level by various Group Heads of the Banking Division, e.g. State, Personal, Nat'l.
7. Career Paths should be immediately developed as a joint effort within the Banking Division. A booklet should be forthcoming describing the program and outlining courses and seminars available for prepping in various functional areas.
8. The Branch Manager should control the consumer market segment and "small businesses". The latter should be defined as to only include really small businesses. The Personal Bank isn't staffed to handle the outside calling requirements and a Personal Banker's career progression should take him through the corporate side of these exposures.
9. As a corollary to #8 above, the Branch Manager must willingly recognize the timeliness and importance of handoffs of growing businesses to specialized Corporate offices, e.g. Growth Industries, State Division, etc.
10. We must formalize our training function. Training packages have not been developed by Personnel for the officer group. The Regions are adequately doing this job for clerical personnel. I would suggest that the Personal Bank provide this training also for Corporate Bank clerical; but that officers and management trainees be coordinated and taught centrally.
11. With the proper understanding of officer roles (Personal and Corporate), I feel that the need to revert to double unit accounting is removed. The Local Support procedure is clearly defined in the SPI. Its implementation is a function of management. We can eliminate the numerous expense debits by budgeting entertainment or other expenses in the support unit, e.g. branch office for National Division Account,

with consent of the officer whose IRC number is on the account. Let's really utilize the Local Support Document we have. The system hasn't worked to date because we are working with restrictive budgets this year on accountable expenses and didn't take the time to transfer some budget amounts.

12. The CBO should have proximity to a Note Department for boarding loans. He should be able himself, or through backup, to anticipate loan needs and be available for ease of customer execution of loan documents at his or the customer's office. Should this be a problem then either he is too far away or he's handling too small of an account with possibly too frequent activity. I would suggest in the former case placing some isolated CBO's in branches; in the latter transferring the account to the Personal Bank. --- If our concept means anything, that Corporate Customer should be getting the sophisticated calling attention, counseling and guidance that would outstrip sheer convenience alone. Also, the day-to-day banking will probably be conducted by a lower level company bookkeeper, etc. at the local branch.
13. We have some area, e.g. San Joaquin, Sacramento, and Imperial Valley which are dominated by a type of business such as agriculture. The branches are isolated and should be staffed to handle the combined Corporate - Personal function. However, I don't feel that is the case in large metropolitan centers. Here geography is no problem, and the Corporate Center should be in close proximity to the customers. Heretofore, those branches have been managed by rather senior credit and business development types. However, the large customer should be well established by now with our "Metropolitan Type" Corporate Center at the same time that Branch Manager, under the new concept, should be striving for other priorities.
14. That the Marketing Department be updated to include a real merchandising function, plus a research and development section. We need to aggressively develop new products, such as the United Account, ahead of competition.
15. Corporate Facilities must apply the cosmetic touches to our existing branches. Sizeable unmanned areas exist arising out of the reorganization and centralization. In addition Corporate Facilities must be more responsive to new concepts, e.g. automatic tellers, store-front locations, motor banking, captive market facilities, etc.
16. We should establish a more formal structure for interplay between the Personal Bank Group and various elements of the Corporate and Support Groups. This should be at the Regional Manager and above level. Each of these individuals must be knowledgeable of and responsive to the needs of the entire bank. We suffer from MYOPIA, and the feeling is rapidly transmitted to lower levels. This approach, in my opinion, will boost Bank morale overnight.

I suggest that:

- a. John Harrigan hold a monthly meeting of Regional Managers and up in

John F. Harrigan

-5-

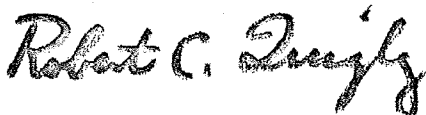
July 2, 1974

the Banking Division. The planned format should include personnel exchange, new product development, announcement and review of new promotional activities, monitoring the progress of competitor banks. etc.

- B. Group Managers should hold quarterly Regional Manager Meetings. A portion of the meeting should include the other group, i.e. Corporate should include Personal and vice versa.
 - C. Regional Managers should hold quarterly Manager's Meetings. These too should include their opposite number at the Regional Level.
17. We should conduct a formal customer attitude survey to determine the progress, to date, of the Reorganization. We should also counsel with Citibank who has tried our approach and apparently retrenched. Why? What are the similarities and differences of markets, etc?

E. SUMMARY

I feel that the times dictate a change of banking approach, and that consumerism should be emphasized. Our old structure did not permit this emphasis. In concept the new structure should place us in a competitive posture for the future. However, we did the job too fast, didn't provide for the feeling of real people involved and have built a series of myopic functional groups. First, we must recognize this to be a valid evaluation. Then, with adherence to my suggestions, I feel that we can make the EXISTING STRUCTURE a viable entity. We can overcome the immediate problems and provide the full career challenges that will stimulate the performance of our developing young officers.



Vice President & Regional Manager
Personal Banking, Region 7

EXHIBIT #I

Sources and Users of Funds - 1980:

The original Reorganization Study and the Booz, Allen, and Hamilton Study "The Challenge Ahead for Banking" (see below for excerpts) forecasted a MASS CONSUMER SOCIETY by 1980. We were advised to:

1. Stress acquisition of funds, not their employment.
2. Challenge the traditional concepts of over emphasis in training lenders or employers of funds.
3. Develop our ability to serve the mushrooming financial needs of individuals.
4. Emphasize the needs for increased efficiencies, expense control, development of good costing and pricing procedures.
5. Develop a more flexible and responsive decision making process must move away from "management by committee".

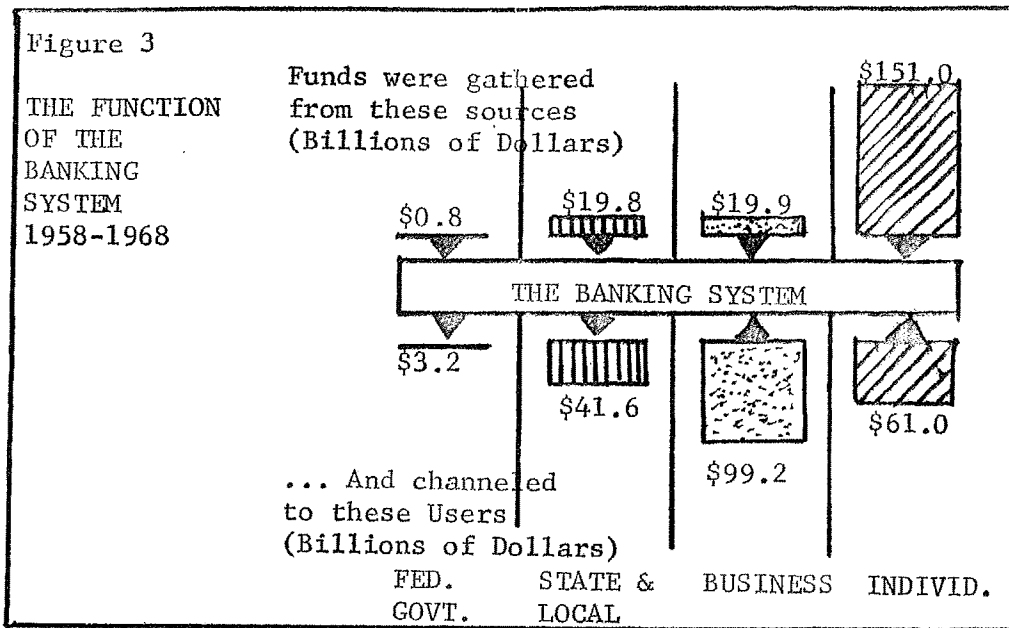
Thus, UCB redistributed its customer base and aligned its efforts into:

- A. Corporate - Outside contact by specialists in sophisticated calling and servicing efforts. Officers assigned would be self-motivating and capable of developing by individual effort.
- B. Personal - Emphasis on internal handling within branches, implementation of consumer oriented merchandising programs and strong community involvement. Officers assigned would be leaders of people capable of getting things done through people.

THE CHALLENGE AHEAD FOR BANKING

(Excerpts from Booz, Allen and Hamilton Study)

During the past decade, the commercial banking system served essentially the purpose of gathering up or collecting funds from individuals and of providing those funds to businesses, However, the individual and state and local government sectors were becoming more important users. Figure 3 illustrates this point graphically.



By 1980, as the United States becomes increasingly a mass-consuming society, it seems likely that individuals could surpass business as the major user of the banking system's funds. And by projecting this trend to the end of the 20th century, we believe the banking system will be heavily consumer-oriented, as far as its traditional funds activity is concerned, with individuals dominating both the supply and use sides of the banking system's balance sheet. In essence, the banking system will serve to channel the funds of individuals who are, on balance, net savers to individuals who are, on balance, net borrowers.

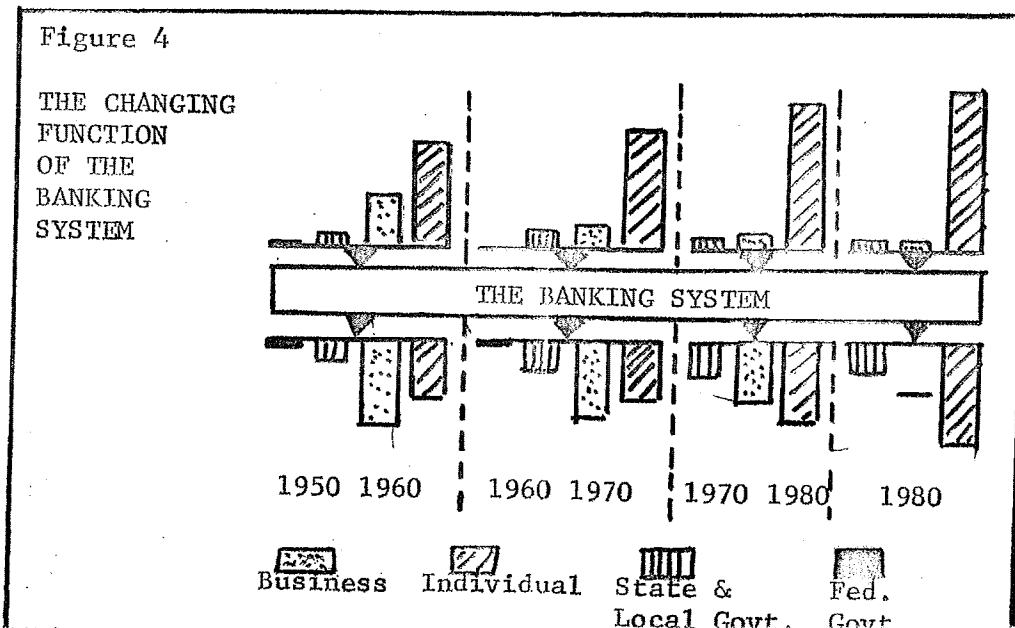


EXHIBIT #II

PERSONAL BANKING GROUP

REGIONAL ACCOUNT DISTRIBUTION

(Numbers of Accounts)

<u>REGIONS:</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>TOTAL</u>
<u>DOMICILE</u>											
Checking	49,000	67,000	52,000	44,000	100,000	75,000	93,000	79,600	79,000	34,000	673,000
Savings	53,000	59,000	56,000	47,000	85,000	68,000	74,000	80,900	65,000	28,000	616,000

RESPONSIBILITY

Checking	48,800	65,000	51,000	42,900	97,700	73,000	87,000	77,600	76,000	33,000	652,000
Savings	53,000	59,000	56,000	47,000	83,000	68,000	74,000	80,700	65,000	28,000	614,000
United Accounts	10,000	8,000	9,000	9,000	15,800	13,000	9,000	12,200	13,000	6,000	105,000

CHAPTER TWENTY
My Banking Career
United California Bank
(Sacramento, CA 1976-1980)

Dolly and I drove from Los Angeles to Sacramento, an exploratory visit to select housing and schools. I spent time with the combined regional staff at their 8th & L Streets location. Dolly spotted a delightful ten year old three bedroom home in the northern Sacramento suburb of Fair Oaks. This home for \$75,000 was at 7825 Tamara Dr. just off Madison Ave and adjacent to the Northridge Country Club.

The bank purchased our Huntington Beach residence in Southern California and we four (Dolly, self and the two boys) moved into our new home prior to Del Campo High School starting in November, 1976.

The bank purchased a membership in my name at the adjacent Northridge Country Club. I purchased a very old three wheel Cushman golf cart which had been grandfathered in at the club, which no longer permitted new carts to be purchased in a member's name. I would drive this cart about three surface street blocks to a small side gate to Northridge. Such luxury to this nomad.

I visited Al Kingman, Executive Vice President, Larry Mendonza and my other long-time friends in San Francisco prior to getting started in Sacramento. Al Mendoza Vice President and chief auditor, you will recall from my stories about my previous assignment in San Francisco (era 1970-71). He and Kingman with great straight faces told me that I would have to check in with the bank's doctor in order to take an enema to drive out all those bad airs from Los Angeles. Te heh! (to coin a loving expression of my uncle Frank Quigley.) Al Kingman also extended the invitation for me to represent the bank at the pro-am portion of the PGA's Kaiser Open Golf Tournament held annually at the Silverado Country Club in Napa. This was a great fit since Napa was one of my fifty new branches in northern California. I'm stepping about sixty days ahead, since the golf tourney wasn't to be held until mid October, but I'll tell the story here. Gene Irby, my new-to-me marketing officer in Region II asked to be my caddy. As such he wore the white jumper outfit similar to the caddy outfits at the annual Master's Golf Tournament. Dolly and sons Bruce and Kevin accompanied Gene and myself. I was in a fivesome of four amateurs and the professional Jim Colbert. Jim was in his early 30's at the time and just reaching some success on the PGA tour. Jim met us on the first tee and we got acquainted. Gene Irby jumped up to join us, but a tournament official reminded him that caddies were not to be on the tees except to hand or receive clubs and similar duties.

Well, Gene's face dropped six inches, but good sport that he was he assumed the caddy role.

We had the day of a lifetime! Colbert immediately signed us up. I was the "B" player by handicap and our "A" player struggled all day. So, Jim kept boosting me up with pats on the back and little infrequent playing tips. I must admit that it took a little while to play with a small crowd and at times on the 9th & 18th holes some pretty sizable crowds. Colbert made our day fun. My adrenalin was charging so much that when we left the 18th green and adjourned for a drink at the 19th hole I all of a sudden felt 90+ years old. What a letdown to be finished and not competing anymore! Jim Colbert shot a 67 on his own ball. Our team came in fourth in the pro-am and we each received beautiful engraved silver trays so testifying at the awards banquet that evening. Colbert was to go on to a good career on the PGA tour followed by one as a television golf announcer, while in his late 40's and finally a sterling career in the Senior Tour where he still infrequently competes while in his mid seventies (year 2011).

I would play again in the Kaiser the following year. My pro then was a little known journeyman and I remember but little of the event. The Kaiser sponsored tourney would give way to the Budweiser Sponsor and in the 1980's the event was shifted cross country from California to Virginia.

Now, back to banking. My initial business goals in late 1976 were to completely close the old Fresno Regional Office and combine our resources in Sacramento. It became evident that we would soon need larger quarters so we began to consider alternative sites outside of the downtown Sacramento area. We ultimately decided to move to a delightful new ranch style office complex on the America River north of downtown Sacramento out by Watt Avenue. I tried to get Don Bruegman, the San Joaquin Valley credit supervisor in Fresno, to relocate and cover that position for the entire new region from Sacramento. Don reluctantly commuted for about ninety days, but ended up tendering his resignation. He was offered the presidency of a de novo bank in organization in Clovis, a suburb of Fresno. Don was to build the Clovis Community Bank into a first class banking institution where he remained as CEO until his death from cancer in 2006.

John Criss, who served me as a management trainee assignment in Eureka, accepted my offer to become my overall credit administrator. John had recently been the Vice President and Manager of our Marysville agricultural branch. His avenue of advancement was in some regards similar to mine i.e. graduating from managership of an agricultural branch to credit administrator. John and I worked well together. He was a thoughtful and helpful lender who earned the confidence of our managers.

The new region had two Regional Operations/Personnel Officers, namely Stand Nordstrom in the north and Carol Gibson in the south. They had previously served in these positions since the first reorganization. They were to be extremely supportive as the next four years unfolded.

I had an interesting placement for Planning & Control Officer. Charles Doyen had spent a career in southern California with UCB and its predecessor California Bank as the bank's salary administrator. However, our bank-wide reorganizations had decentralized salary administration into the various district operation officer positions, so Charles' job was eliminated. At 53 he was about two years away from eligibility for the earned benefits of early retirement. He and I were acquainted from the time of my assignments in southern California. He requested consideration as my planning & control officer for my new combined region. I agreed, knowing this to be a short-term assignment. He rented a furnished apartment in Sacramento and commuted about one weekend a month to Los Angeles, alternating with his wife who visited with him in Sacramento. Charles was one of the most loyal co-workers I had the pleasure of knowing. He was to continue this lifestyle for about 18 months and then finally retired to Los Angeles.

Gene Irby, VP had been a branch manager and moved into the Sales Administrator's position. This too was to be short-lived as he would move into the branch managership at Napa in 1977.

Lois Egan became my administrative assistant. Lois was the secretary at the Sacramento 21st & K branch when I first reported in for duty at First Western on June 30, 1960. She later became Manager Tony Westra's secretary at the Sacramento Main Branch and finally the administrator's assistant at the time of the first bank-wide reorganization in 1972. So, I was "back home" with a real family friend.

I will now share a physical setback dating to the late fall of 1976. We were still at the old 8th & L headquarters in downtown Sacramento. I was by myself in my office one lunch hour when the Xerox representative delivered a new replacement table top copying machine. He knocked on the door and requested my help in lifting and exchanging the copiers. This I did. I wasn't at all prepared for the weight of the copier. Too late because we already had the unit off the table. I suddenly felt a shift in my lower back and immediately lowered my end of the copier. My lower back was sore, but nothing that I hadn't experienced in the many fence building and wheel barrowing days associated with my many new home projects with Bruce and Kevin... However, the following morning I couldn't get out of bed. I visited with a bank recommended orthopedic surgeon. He passed me on possible disc problems and finally diagnosed facet joint problems. This was to me a less than satisfactory resolution, since nothing prescribed solved the distress

and the pain persisted. I had to drive a territory about five hundred miles long by one hundred twenty-five miles wide.

I can't remember, but I'll call my doctor "Smith". My back kept acting up. One day Dr. Smith gave up in exasperation. He had me get horizontal on the examining table, then proceeded to manipulate my back until it loudly popped back into place. Immediate relief!, but also prone to immediate separation again upon lifting something or sitting in a soft seat or even suddenly turning... the solution – another manipulation. Turns out to be a solution only when Dr. Smith was available.

I remember playing golf 180 miles away in a member-guest golf tourney with Harry Mazgedian in Fresno. Lifted my golf bag from the car trunk and wham the back snapped out! Dr. Smith was away on vacation, so I played three days and partied with wives while my back was on fire... I really became totally dependent upon Dr. Smith. Then one day I lunched with my Oakland Branch Manager. He shared that one of his local customers had invented an orthopedic seat (both lightweight and hand carryable) for people who couldn't sit on soft cushions. The name "Sacro Ease" ... I purchased one that afternoon at a local orthopedic store and had part of my problem eased, but still when my back went out I was stuck.

Shortly thereafter I was playing golf at Northridge CC in Sacramento on a Saturday morning. One of my companions was a wonderful fellow with the last name of De Lovalad... Dolly admired his wonderful manners and called him "the Count!". That day my back was bothering my golf game. Over a beer at the end De Lovalad had me get on the bar lounge floor and he grabbed a book and shoved it under my back to the right of my spine. He then had me bend and cross my left leg over the right. I was to work the left ankle down the right leg to its ankle. "Pop" and the pressure was gone. I was to take the procedure to Dr. Smith's office to demonstrate in order to assure that I didn't risk further injury. Dr. Smith checked me out and shared that the results were the same as his manipulation... So, viola, I was free of my dependency upon Dr. Smith and have continued to use the procedure with rewarding results to the present day.

My back was a limiting factor in the era 1976-78. I recall bringing Dolly along on a car trip pre-De Lovalad to the Butte Valley branch up near the southern Oregon City of Klamath Falls. Our branch there was a converted farm house which served as a small community bank prior to its purchase by First Western Bank in the late 1950's. The interior was built in a square around the manager's office (four sided glass walls with curtains). This was pre-sacro ease and pre-De Lovalad. My back was out after a 350 mile trip from Sacramento. Dolly, the manager and I hurried into his office and drew all of the drapes. We cleared his desk and I got horizontal on top and Dolly and the manager attempted the Dr. Smith chiropractic maneuver. After a long period and much hard work

the back popped... His staff were trying to look nonchalant as we reversed our entry and opened the drapes. Heavy speculation!

So, you get the picture. One bad back which to some degree dictated certain limits of my physical activity. Now, back to my story.

Region II was really a challenge. I'm attaching as an exhibit a summary paper of "Goals & Objectives" which I drafted for John Van der Zee in June 1980. A review of this will give the reader perhaps an idea of just how many loose ends must have existed in 1976 to still see so much more that needed to be done after 1980. However, the key was the reference to the management course presented by Citicorp in Florida during early 1980. I was selected by Diane Franks, the bank's personnel director to attend a week long course in Palm Beach, Fl. and then critique the content and potential benefits for our bank's executives. This course turned out to be one of the very best educational exposures of my life. Interestingly enough the other was the one week navy instructor's course taken in San Diego in 1953. This has got to be an interesting statement from someone who attended all those years with the Jesuits and then two years in graduate studies at Stanford.

There were so many changes challenging the almost archaic industry of commercial banking that I reveled in the opportunity to learn new techniques in management, lending, product development and marketing.

About 1977 UCB developed a new system for employee performance evaluation. It had some snappy name long since forgotten, but in essence my regional staff and I annually went off-campus for three days and ranked like job performers, e.g. branch managers, operations managers, etc for allocation of increases from a regional annual salary budget pot. This pot was divided into cost of living (COLA) and (Merit). This is the first time our bank worked on a budgeted salary increase allocation and then the two divisions of money. Don't forget that this time of the middle to late 1970's was a period of double digit inflation, so the COLA pot raided the merit increase pot.

Our managers bought into the concept of being rewarded for performance. Although, this was not universally the case in other regions bank-wide, I do believe that our success was attributed to the very careful and consistent educational process followed at our regional manager meetings.

My first ever personal performance review at UCB was for the period 1-1-77 to 12-31-77. An unsigned copy is attached as an exhibit. Please note the positive performance results for our region during 1977 and the very complimentary final paragraph. I was to receive one more written review in 1979 by John Van der Zee for the year 1978. That is also attached. Shortly after the last review I was to learn that John Van der Zee was

retiring during 1979. For some reason I never realized this vibrant man was someone approaching age sixty-five. And, too I had been through so much working closely with him in Los Angeles and then in Sacramento. We administrators had no idea as to John's successor, nor was a candidate readily visible. Although, in truth to my maker I believed myself capable and able to fill the job.

A short time later Dolly accompanied me to some event at our northern Mt. Shasta branch. While at dinner I was called to the phone and Van der Zee informed me that Don Crivellone Senior Vice President would be his replacement. I can remember my feelings as if it was yesterday. Don Crivellone, you've got to be kidding!

Joe Pinola, our bank's new President, was by this time beginning to take the bank in a new direction. After serving briefly as president of UCB he would leave our bank to become in 1980 the president of Western Bancorp, our holding company for the twenty-three banks. He had brought George Rothell a nondescript Vice President from Bank of America over to ultimately replace him as president of UCB. Joe no longer needed Don Crivellone, so asked George to put Don in charge of UCB's branch system of 250 branches statewide...

Don Crivellone! My personal impressions of Don were those of a mafia hit man. My wonderful wife took me aside that night at Mt. Shasta and said "look Bob, Don represents lawful authority. You have two choices, i.e. cheerful obedience or get out!" I chose to stay and serve, so worked at creating a respectful working relationship with Don during the ensuing months.

Now permit me to share some personal vignettes of this period: Bruce and Kevin graduated from high school in 1978. Bruce moved on to Sacramento State University that fall, but Kevin's grade point average kept him from doing likewise. Kevin moved over to try the local American River Junior College.

Dolly and I attended a weekend marriage encounter sponsored by our local parish. We checked into a Roseville, Ca. Best Western Hotel on a Friday and over two days attended lectures and spent quiet times writing love letters to each other as part of the program. The program's theme was "to make good marriages better!" Well, with all of our geographic moves, Robbie's death and Susan moving out, we needed some personal time to relight some of our lamps. I recall the weekend as being a high. We were told that a true union of man and woman resulted in mutual: consideration, shared values, trust, appreciation, respect and finally passion. I have these notes after all of these years. Please observe in the hierarchy that "passion" is at the bottom of the list. When it came time to make a "voluntary cash offering" for the course, aside from paying for food and

lodging, we made a contribution for five hundred dollars payable in “thanks”. (Remember that in 1978 automobile sold for \$3,000 and so \$500 was a lot of money!)

Dolly and I went to Hawaii for a week over October 12, 1978 in order to celebrate our 25th wedding anniversary. We stayed on Maui in a rented condominium. Daily we played golf at each of the major courses and had wonderful afternoon swims in the ocean. Neither of us is a beach bunny, but this was exceptional. We even honored Dolly’s passion for Chinese dinners on two consecutive days in Oahu before flying home.

Back to Fair Oaks California, and reality. The boys had neglected our lawn and Dolly had them out with a hole punching gizmo in order to water in fertilizer and deep water the roots. It’s a wonder that she wasn’t turned in by the neighbors for childhood cruelty. Also, while we were gone the boys opened the house for parties, but I guess that each family goes through that experience as a right of passage in trusting their teenagers.

One major event comes to mind. Back in the late 1960’s I belonged to the San Joaquin C.C. in Fresno. About 1970 Harry Mazgedian was my guest for our annual member guest three day golf tournament. This was a big event. The first day was a practice day with a stag dinner that evening. During the dinner the individual teams were sold to the highest bidder in a Calcutta auction. A sizeable amount of money was on the table for payouts after the 18 hole rounds on Saturday and Sunday of best ball of the partnerships. You could also make race track like paramutual bets each day on your team. As I recall someone else purchased our team in the Calcutta but Harry and I made small wagers in the paramutual betting. After the first day we were in first place. Harry was about an 11 handicap at the time and I a 16. We each played well and as the saying goes ham and egged together, i.e. at least one person did well on each hole. The next day we started in the last tee times, as the leaders do on the PGA Tour. We overpracticed and succumbed to pressure. The San Joaquin River followed the first and second holes on the left hand side. I found the river three times as did Harry... that was the end of the Quigley-Mazgedian threat.

Fast forward to the spring of 1977. I was now a member at the Northridge Country Club in Sacramento, a delightful tree lined course in Fair Oaks first established in the late 1950's. Harry and his wife Laree joined us as guests from Fresno and once again Harry and I were paired in a member guest tournament. This time we purchased our own team. We went relatively cheap as no one knew Harry and I was just one of the guys in the 14-16 handicap range. Remember the “big boys” were down closer to scratch with single digit handicaps. Well, after the first day we led the tournament and already had a handsome payout due from the daily paramutual of some \$200-300.

We were dining that evening at our home and Dolly cooked fondue. She closed the swinging door to the kitchen, while reheating the peanut oil. Unfortunately the oil caught on fire. I had luckily gone into the kitchen to refresh our drinks and was confronted with smoke and flames. Dolly had the fire department's phone number in extra large letters affixed to the wall phone. Thank God! Otherwise I couldn't have read the number through the smoke. Harry and Laree had lost a farm home near Fresno due to fire, so he knew to immediately dash out to the neighbor for a fire extinguisher. I in the meantime called the fire department. Such courtesy and professionalism! They were immediately on their way. I took Dolly outside and then drove our personal car out from the garage and away from the driveway. The bank car was already in the street. I then dashed inside and salvaged about four business suits, shoes and shirts. I rationalized that regardless of this event Monday would come and I would be back to work earning a living. I then turned to Dolly. She was in a complete state of shock. Remember, this wonderful gal was the "original homemaker" and her "palace" was under threat. Laree in the meantime with her past experience had closed each and every interior door to limit the spread of smoke damage.

The fire department arrived. To this point the damage had been limited to the kitchen and immediate crawl space attic above that room. The real danger was the possibility of spreading thru the attic area. Such was not to be the case. The fire marshall kept us abreast of their efforts and then stayed to assure us that the house was safe to re-enter and sleep in that night. What an experience!

We all had breakfast in a restaurant the following morning and then Harry and I showed up for our late tee time in the final on Sunday. We didn't have time to be nervous and went on to finish second or third. All-in-all with the event and paramutual we split a sizeable pot. More than anything I did it with Harry Mazgedian! As you walk through life you meet just a few real friends and a vagabond such as me just shares a few experiences before moving on. Harry is truly someone I love and also his wonderful father. I was to leave Sacramento in 1980, but Harry and I would once again hookup in 1987, when I would return to Fresno as President of the community bank, Fresno Bank of Commerce.

John Van der Zee had established himself as our accepted leader during the years immediately prior to his 1979 retirement. He encouraged his regional managers at monthly meetings in Los Angeles and annual sessions in Palm Springs. The latter included our spouses. One of my peer group belonged to a very prestigious country club in Palm Springs, so our meetings were held there as something to look forward to as a seasonal change from winter in Sacramento. Bob Stanley, VP and Van der Zee's immediate assistant was married to Millie who was a scratch golfer. Millie personally

knew many of the original founding members of the Ladies Professional Golf Association (LPGA) and had considered golf as a career earlier in her life. Instead, she married Bob and then in her forties went back to college and played on the Long Beach State University women's golf team. She later remained as its coach. Millie befriended Dolly and we four played a few rounds over the years at Indian Wells while in Palm Springs. Dolly was a 36+ handicapper and Millie while shooting close to par made Dolly feel very much at ease. What a talent!

UCB had been on a restrictive new branching policy since the Basil, Switzerland debacle of the 1960's. Joe Pinola, our new United California Bank Chairman, wanted to take us in some different directions. Western Bancorp owned 23 banks in the 11 western states and the organization at \$23 billion was among the largest in the country. We were basically restricted by the McFadden Act passed by Congress in 1927 as to further expansion, across state lines. Western Bancorp had a unique charter in the eleven western states. Joe Pinola wanted to build on this franchise. His plan envisioned three thrusts: one, expand within a state or county where possible; two, rename the 23 banks to a common name; and three, franchise the name to other existing banks throughout the United States. We would accomplish this and more in the 1980's, but I'm getting ahead of my story by a few years.

Pinola's vision would put UCB back into the branch expansion business. Don Crivellone was still acting as Pinola's assistant when Joe gave him the assignment of searching out ways to expand banking locations throughout California. Don called me one day while I was recuperating from a bad back episode at home in Sacramento. Actually, I was flat on my back on the bedroom rug unable to climb in and out of bed. I talked over the phone with Don from my vantage point on the floor. He wanted me to explore the possible acquisition of the "Placer County Bank" operated out of Auburn, Ca., the county seat of Placer County and about 50 miles from downtown Sacramento. This bank as I recall was composed of four branch locations and had total assets of about \$100 million. We did the necessary textbook review from public records, toured the market area, exploring not only Placer County but competitor's situations. I recall three of us in business suits entering the Wells Fargo Branch in Auburn one Friday and "looking around" without approaching tellers or platform (branch officer) personnel. Upon returning to my headquarters I had a telephone call from our San Francisco auditing department. The Wells Fargo Auditors had called asking just what was a UCB business car license # so so doing casing their branch. Actually, I believe the call was by way of the police department. So much for our James Bond effort.

We intended to formally open negotiations with the Placer Bank for a possible merger, but over time nothing definitive developed. However, the effort helped me to spot future

locations for startup (de novo) branches for UCB in Auburn, Rocklin and Grass Valley. I was still the administrator when two of these locations later opened up. The other side benefit. I was to become better acquainted with Don Crivellone, who would become my boss when Van der Zee retired. This move was not envisioned at this time.

On February 28, 1979 I turned fifty. Dolly held a great party for me at our residence. By this time Susan had moved north to Sacramento from southern California. She had her own apartment and had begun to date Sam Deguara a local boy from Sacramento. Both of them helped me to celebrate my birthday. My hair was still dark and Dolly's had begun to lighten which would ultimately be her way of changing color. We have a snapshot of her from this period with a curled hairdo and holding our new lady love... Heidi, our miniature schnauzer. Heidi would journey with us in the forthcoming moves to Phoenix, Arizona and then Hobbs, New Mexico.

Kevin joined the army in 1979. He was sent that summer to Fort Benning, Georgia for basic training. Bruce was entering his sophomore year at Sacramento State University that September, but we delayed him a few days and he and I flew to Atlanta, Georgia, rented a car and attended Kevin's graduation. Following that we three drove south to northern Florida and visited Dolly's mom and new stepfather (P.B. died in 1971 and she had recently married Frank Bertoni). While enroute to Brooksville, Florida we visited Plains, Georgia the birthplace of former President Jimmy Carter. We dodged a hurricane working its way north from the Gulf of Mexico and tracking just west of our route. We had a wonderful visit with Mom Bohler and Frank at their mobile home park near Brooksville. The boys were the hit of the Saturday night dance at mom's recreation center. We headed south to the Arnold Palmer Saddlebrook Resort north of Tampa, and then further south to the Doral Resort in Miami. The boys played tennis there for the first time ever on championship clay courts and we three played the famous blue monster golf course. Our next stop was the Breakers Resort at West Palm Beach, Fl., and a wonderful visit with Aunt Betty and Uncle Frank Quigley. Such moments to treasure! Kevin and I put Bruce on the plane at Miami to return to Sacramento for school. Kevin and I continued on to the Ponte Vedra Golf Resort near Jacksonville, Florida and then on to an old resort at Savannah, GA, the name of which escapes me. Finally, I brought Kevin to the Air Force Base at Charleston, S.C., where I put him on a plane to Germany for a two year assignment. I can't begin to share the internal emotion and thoughts over the years back to my own plane trip in navy uniform west to California in 1952. My goodness, how fast a generation turns around! I left Kevin with a hug and kiss and statements of shared loved. The next time I would see him he would be a married man.

Well, the Florida trip was a bonding moment of a lifetime. Bruce, Kevin and I had done this once before when we went to Big Bear Lake while living in southern California, but our two were now grown men and this was special.

I would return to Miami, Fl. the following year. Diane Franks, the fairly new manager of Human Resources (Personnel Dept.) at UCB was a woman in her late 30's early 40's... She was our bank's first senior vice president as the glass ceiling for women in banking began to splinter and then shatter. She was extremely interested in the progress which I had made in my region in the new bank-wide management programs such as the salary review process. She inquired as to my future aspirations. It will be recalled that my first ever personal Personnel Evaluation Review was written just recently in 1977. I replied... to become President and CEO of one of the twenty three Western Bancorporation affiliates. She was a good listener as I would find out the following year. In the meantime she wanted me to represent UCB at the week long Citicorp Management School in Miami, Florida. My orders to attend review and assess and report back to her. Dolly flew with me to Miami and she stayed with Frank and Betty Quigley at West Palm Beach, while I attended the Citibank School next door at the Fountain Resort. The week was fantastic and I gathered numerous techniques to utilize back home in Region II and to share with Diane Franks. Frank, Betty and Dolly picked me up on Friday afternoon and I met them with my arms laden with "nonsense awards", the results of my achievements at school. Took me back to recognizing our youngsters and their grammar school awards. Dolly and I had a couple of days to tour Florida and we liked what we saw. Kind of tucked this aside to resurrect closer to our pre-retirement sojourns in the late 1980's.

My Region continued to excel in bank-wide performance. I read the American Banker Newspaper daily and was very much aware of the evolutionary changes taking place in our industry throughout the country. So many of my peers were content to resist change, while I became an "agent of change" and also strived to expect "completed staff work" from my subordinates. The former was easy, the latter more difficult since you can't boast this claim and finish the job for your direct reports. This workset did not endear me to my fellow peer administrators in UCB. Their reluctance to accept change bank-wide would one day lead to our bank's demise in the mid 1990's... More about his later.

As 1980 dawned Dolly and I had no idea of the challenges that we would be asked to deal with in the next ten years. Bruce was our only child at home and he was a sophomore at Sacramento State College. Heidi was our pet and she dearly loved us all. Susan and Sam were engaged and planned to marry in the spring. Kevin in Germany had met a German girl, but promised if serious to come home first, then go back to Germany. He was building army bonus credits for college and planned to return to the USA for school in

1982. Our children had lived through the Haight-Ashbury hippies era of the late 60's and 70's as teens, but the whole world was relaxing its sexual standards, i.e. except the senior Robert Quigleys. We practiced "tough love" with our children and thanks to Dolly's unbending leadership we survived the decade as a family that could say that it still prayed and played together. This bond of love would carry over into our six grandchildren.

Susan and Sam married in April 1980 and settled in Sacramento. Bruce progressed at Sacramento State and Kevin continued with the army in Germany.

The new decade of the 1980's would once again present the opportunity for my advancement, but coupled once again with the requirement to move. Diane Franks wanted me to leave UCB and join our Arizona affiliate the First National Bank of Arizona, headquartered in Phoenix, Arizona. Both First National and UCB banks were totally owned by Western Bank Corporation in Los Angeles, California.

I was in attendance at an administrators' monthly meeting in Los Angeles about July of 1980. Diane Franks (Personnel Director) asked to see me and presented an offer to become head of the branch office system of our Arizona affiliate bank, the First National Bank of Arizona. This would be a first step towards my ultimate placement as president and chief executive officer (CEO) of one of our 23 affiliate banks.

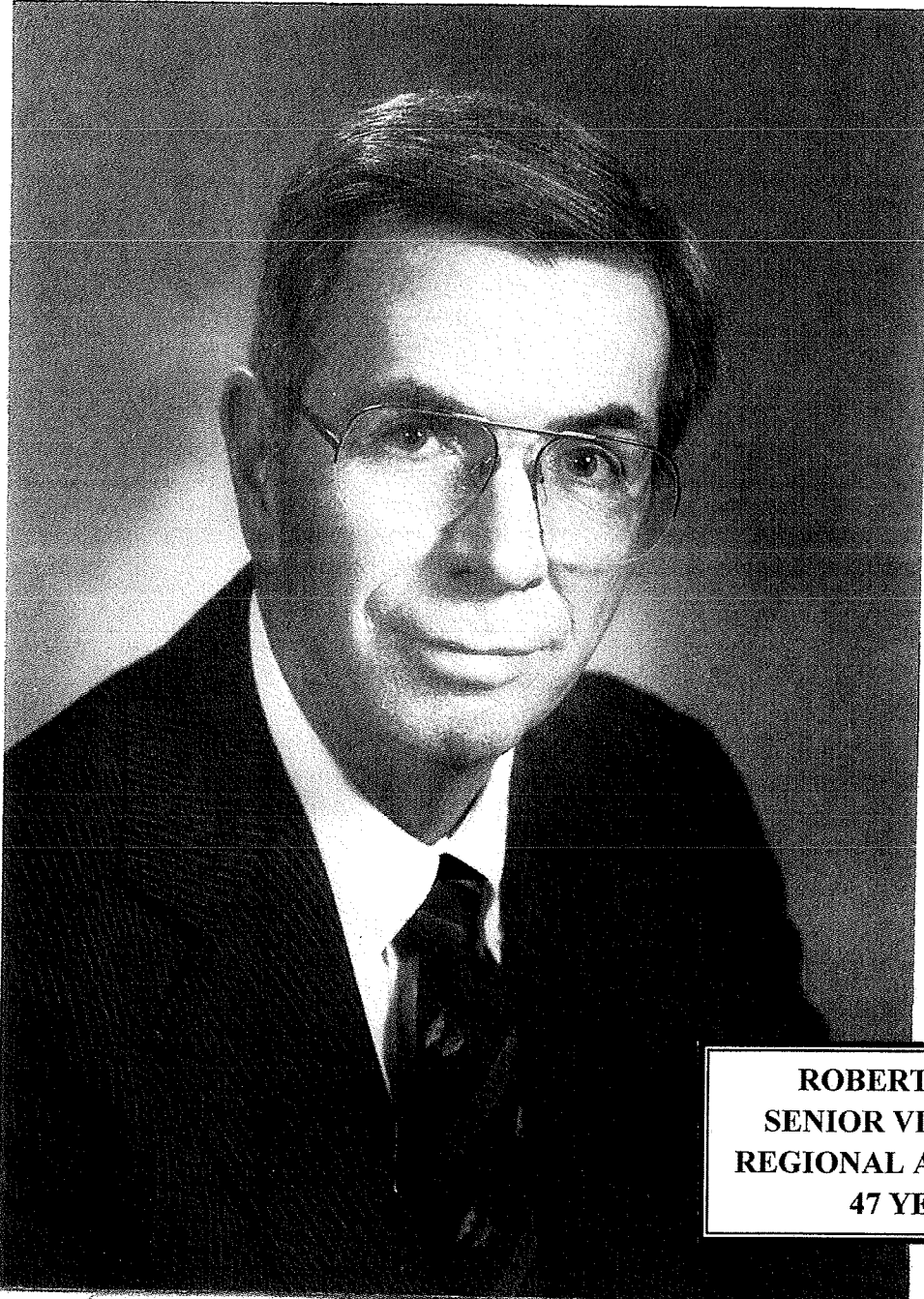
I flew over to Phoenix and interviewed with Ed Carson, President and CEO of First National and Harry Johnston, Executive Vice President. More about this in the next Chapter (#21).

REPRISAL

Sacramento 1976-1980 was an adventure back into the known. Dolly was more comfortable; in fact we both were as we set the standards and pace for our personal, social and business life. I accomplished most of my business goals in the two Valleys (Sacramento and San Joaquin). We introduced many new banking programs, toyed with the expansion of the bank by de novo offices and small bank acquisitions and succeeded in deregulating our portion of the overall bank.

Our children blossomed in this post hippy era. Bruce continued at Sacramento State University, Susan moved back to Sacramento into her own apartment and then married Sam Deguara. Kevin continued with the army in Germany and would end up marrying Evi, a German girl.

Diane Franks, working on my behalf, presented the opportunity for my advancement within the Holding Company. We accepted and prepared to move to Phoenix, Arizona.



ROBERT C. QUIGLEY
SENIOR VICE PRESIDENT
REGIONAL ADMINISTRATOR
47 YEARS OLD

TELEPHONE (916) 444-8580

ROBERT C. QUIGLEY
SENIOR VICE PRESIDENT
REGIONAL ADMINISTRATOR

REGIONAL ADMINISTRATION
UNITED CALIFORNIA BANK
3620 AMERICAN RIVER DRIVE SACRAMENTO, CALIFORNIA 95825

NAME Robert C. Quigley	SOCIAL SECURITY NO. 577-32-8048
POSITION Regional Administrator (Senior Vice Pres.)	POSITION TENURE Over 4 years
REVIEW PERIOD FROM 12/31/77 TO 12/31/78	REVIEWER John R. Van der Zee

PRIMARY RESPONSIBILITIES

Evaluates and develops short and long range plans including projected growth and profitability of the Region. Implements necessary programs to achieve these goals. Plans and executes Region credit programs to ensure maximum growth, balance and profitability within commercial, consumer, real estate and related portfolios. Reviews major credit proposals, approving those within Region authority consistent with credit risks and profit goals.

Administers business development programs within Region.

Plans, schedules and implements marketing and advertising programs. Analyzes and evaluates Region's market share and plans programs and strategies to retain/enhance.

Administers Region activities involving branch operations requirements and compliance with policies and procedures.

Administers personnel programs of the Region.

Administers potential mergers, acquisitions, de novo branches and relocations. Recommends action and is responsible for final implementation.

Represents the bank in community affairs and public relations functions.

MEASURES OF PERFORMANCE

Regional growth in deposits versus profit plan.
Regional growth in loans versus profit plan.
Regional net income before taxes versus profit plan.
Net income before tax to earning assets.
Managed expenses to net operating revenue.
Total operating expenses to net operating revenue.
Work measurement performance index.
Consumer credit delinquency rates.
Total loan quality.

**PERFORMANCE & DEVELOPMENT
REVIEW JAN. 1, 1979
BOB QUIGLEY**

PERFORMANCE RATING CODES

1	2	3	4	5	6	7	8	9	10
Unsatisfactory		Marginal		Meets Requirements		Exceeds Requirements		Outstanding	

Unsatisfactory . . . below minimum job requirements
Marginal . . . meets some requirements but fails to meet others
Meets Requirements . . . performs required duties
Exceeds Requirements . . . consistent performance beyond requirements
Outstanding . . . achieves results of exceptional value

OVERALL PERFORMANCE RATING

Unsatisfactory Marginal Meets Req. Exceeds Req. Outstanding
 1 2 3 4 5 6 7 8 9 10

Comments:

IMPROVEMENT/DEVELOPMENT PLAN

Actions and Timetable:

Mr. Quigley, as well as all the other regional administrators, will be asked, within the next few weeks, to place additional emphasis on the "external contacts" and "public relations" as part of their position.

ASSESSMENT OF POTENTIAL

- 1. Reassign to lesser position or terminate _____
- 2. Retain on current position _____
- 3. Move laterally to _____
- 4. Promote after 2 years to _____
- 5. Promote in 1-2 years to _____
- 6. Promote now to _____

Comments:

Retain as regional administrator for the medium term future (up to 5 years).

SIGNATURES

REVIEWER John R. Van der Zee DATE 4-11-79
CEO _____ DATE _____
WBC _____ DATE _____

EMPLOYEE COMMENTS

This review was discussed with me by _____ on _____
My comments are:

EMPLOYEE SIGNATURE _____ DATE _____

EMPLOYEE NAME ROBERT C. QUIGLEY	EMPLOYEE NO. 70260	PERIOD OF APPRAISAL FROM Jan. 1, 1977 TO Dec. 31, 1977
POSITION Regional Administrator (Region 2)	UNIT NAME California Banking Group	SALARY GRADE SO2-3069

PERFORMANCE APPRAISAL

List Major Areas of Responsibility (Credit, Operations, Supervision, Business Development, Project Mgt., etc.):	State briefly results achieved during the appraisal period in terms of key events, cost reductions, revenue generated, or other qualitative or quantitative measures of performance for each area of responsibility. Explain any extraordinary conditions which have affected results.	Compare each set of results against expectations by recording "Below", "Meets", or "Exceeded".																														
	<p>Mr. Quigley continues to perform at above satisfactory levels. His region, encompassing the Eastern part of the state from Bakersfield to Oregon, has benefited from his steady, persistent insistence on his managers stretching themselves. The results are reflected in the following:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: center;">12-76</th> <th style="text-align: center;">12-77</th> </tr> </thead> <tbody> <tr> <td>Commercial Loans</td> <td style="text-align: right;">\$132.8MM</td> <td style="text-align: right;">\$177.1MM</td> </tr> <tr> <td>Instalment Loans</td> <td style="text-align: right;">39.8MM</td> <td style="text-align: right;">47.8MM</td> </tr> <tr> <td>Total Loans</td> <td style="text-align: right;">250.9MM</td> <td style="text-align: right;">350.3MM</td> </tr> <tr> <td>Demand Deposits</td> <td style="text-align: right;">169.0MM</td> <td style="text-align: right;">201.7MM</td> </tr> <tr> <td>Savings</td> <td style="text-align: right;">167.9MM</td> <td style="text-align: right;">206.9MM</td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <td>Revenue/Earning Assets</td> <td style="text-align: right;">4.86%</td> <td style="text-align: right;">5.12%</td> </tr> <tr> <td>Income/Earning Assets</td> <td style="text-align: right;">1.56%</td> <td style="text-align: right;">1.74%</td> </tr> <tr> <td>Managed Expense/Net Operating Revenue</td> <td style="text-align: right;">44.5%</td> <td style="text-align: right;">41.1%</td> </tr> </tbody> </table> <p>Most of Quigley's branches could be characterized as stable, almost "independent bank mentality." He puts many miles in, paying close attention to all of his people, constantly prodding them to excel. He has a systematic approach to the job which insures few surprises. His scrupulous attention to detail assures his people he is eminently fair in his judgements.</p>		12-76	12-77	Commercial Loans	\$132.8MM	\$177.1MM	Instalment Loans	39.8MM	47.8MM	Total Loans	250.9MM	350.3MM	Demand Deposits	169.0MM	201.7MM	Savings	167.9MM	206.9MM				Revenue/Earning Assets	4.86%	5.12%	Income/Earning Assets	1.56%	1.74%	Managed Expense/Net Operating Revenue	44.5%	41.1%	
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Managed Expense/Net Operating Revenue	44.5%	41.1%																														
AFFIRMATIVE ACTION (comment if individual has supervisory responsibilities).																																
	<div style="border: 2px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> <p>PERFORMANCE & DEVELOPMENT REVIEW DEC. 1977 BOB QUIGLEY</p> </div>																															

PERFORMANCE RATINGS

General Performance	<input type="checkbox"/> BELOW - Expected Results	<input checked="" type="checkbox"/> MET - Expected Results	<input type="checkbox"/> EXCEEDED - Expected Results
Summary (Check One):	<input type="checkbox"/> NONE	<input type="checkbox"/> LOW	<input checked="" type="checkbox"/> NORMAL
Rate of Performance Improvement over this Appraisal Period (Check One):	<input type="checkbox"/> NONE	<input type="checkbox"/> LOW	<input type="checkbox"/> RAPID
SUPERVISOR'S COMMENTS ON RATINGS:			
Mr. Quigley is steady and results-oriented.			

PERFORMANCE IMPROVEMENT PLAN

CHECK INDIVIDUAL'S STRONGEST SKILLS OR PERSONAL QUALITIES:

<input checked="" type="checkbox"/> Planning	<input type="checkbox"/> Leading	Relationships with:	<input checked="" type="checkbox"/> Initiative	<input checked="" type="checkbox"/> Adaptability
<input checked="" type="checkbox"/> Organizing	<input type="checkbox"/> Selling	<input checked="" type="checkbox"/> Peers	<input checked="" type="checkbox"/> Persistence	<input checked="" type="checkbox"/> Reliability
<input checked="" type="checkbox"/> Controlling	<input checked="" type="checkbox"/> Developing employees	<input checked="" type="checkbox"/> Subordinates	<input checked="" type="checkbox"/> Persuasiveness	<input checked="" type="checkbox"/> Credit
<input type="checkbox"/> Motivating	<input checked="" type="checkbox"/> Problem solving	<input checked="" type="checkbox"/> Superiors	<input checked="" type="checkbox"/> Resourcefulness	<input checked="" type="checkbox"/> Operations
<input checked="" type="checkbox"/> Delegating	<input checked="" type="checkbox"/> Analyzing	<input checked="" type="checkbox"/> Customers	<input checked="" type="checkbox"/> Innovativeness	<input type="checkbox"/> Other technical speciality:
<input checked="" type="checkbox"/> Managing time	<input checked="" type="checkbox"/> Decision making	<input checked="" type="checkbox"/> Results orientation	<input checked="" type="checkbox"/> Perseverance	
<input checked="" type="checkbox"/> Supervising	<input type="checkbox"/> Communicating	<input checked="" type="checkbox"/> Judgment	<input checked="" type="checkbox"/> Stress tolerance	

LIST SKILLS OR QUALITIES WHICH SHOULD BE STRENGTHENED TO SIGNIFICANTLY IMPROVE INDIVIDUAL'S PERFORMANCE. DESCRIBE PLANS FOR RELATED DEVELOPMENT ACTIONS. (changes in job responsibility, education, performance counseling, etc.).

.....

.....

.....

CAREER DEVELOPMENT PLAN

POSITIONS TO WHICH THE INDIVIDUAL CAN BE IMMEDIATELY ASSIGNED

1. _____ 2. _____ 3. _____

POTENTIAL FOR INCREASED OR NEW RESPONSIBILITIES:

Time in Future	Possible Positions or Assignments	Related Developmental Needs and Planned or Recommended Actions
1 - 2 Years
3 - 5 Years

OVERALL ASSESSMENT OF PERFORMANCE AND POTENTIAL

1	2	3	4	5	6	7	8	9	10
Unsatisfactory					Satisfactory			Outstanding	

SUPERVISOR'S EXPLANATION OF RATING

.....

.....

EMPLOYEE'S COMMENTS

.....

.....

.....

I have participated in a discussion of the contents of this form and have received a copy.

EMPLOYEE'S SIGNATURE	DATE	SUPERVISOR'S SIGNATURE	DATE
----------------------	------	------------------------	------

GOALS & OBJECTIVES
JUNE 1980
BOB QUIGLEY

A. BUSINESS CIRCUMSTANCES

The overall business climate within Region 2 is of extreme competition, wide geographic accountability, somewhat diverse interests and a real sense of sub-area provincialism. The need is for decentralized management by exception to committed and fair goals.

Until now my region has been relatively inefficiently organized for maximum goal achievements. The span of supervision for the administrator has been too great and both staff assistants and branch managers over the past decade have been encouraged to be "individualists" instead of strong manager, but "team players". However, my recent organizational change recommendations have been approved, and we are in the process of altering the form of organization in order to lessen the span of control, delegate responsibility and accountability and hopefully lessen the number of staff players involved.

B. GOALS AND OBJECTIVES

We are in a region that could not be accused of having only short-term goals (less than three months); in fact on a one year time frame we have a management form predicated upon budgeting and accountability for variances. Our managers are reviewed for compensation purposes on achievements against self set goals.

However, we have not established goals for deposits, loans, profitability or forms of delivery systems beyond the one year horizon. This form of a 3-5 year plan will become an objective to be coordinated with the California Banking Group during 1980/81.

C. MANAGEMENT STRATEGY;

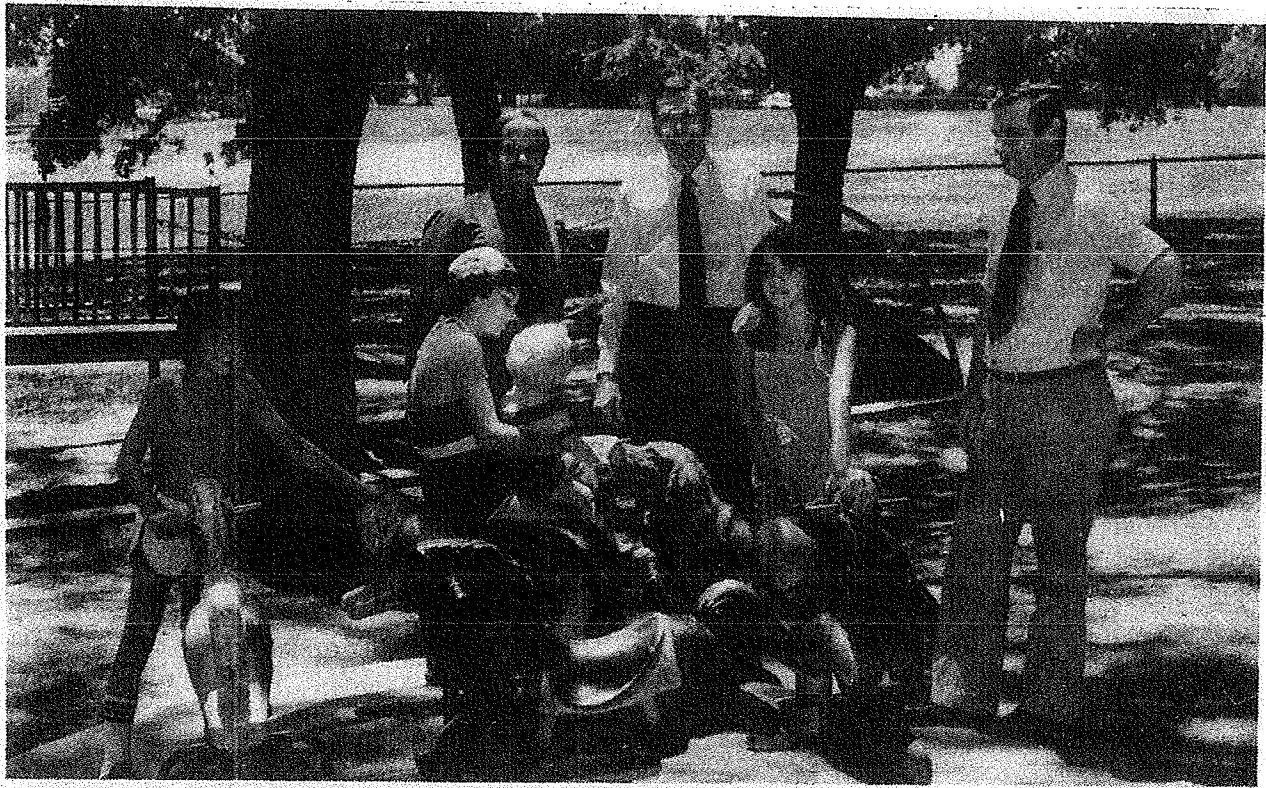
My approach to this area has been by personal example as well as encouraging use of multi-delivery systems to meet branch goals. I have attempted to set a personal example for establishing goals and priorities outside the readily visible area of deposits, loans and NOI growth. I have encouraged others to see me as being results oriented. I am working on the image of being perceived as being people conscious, a people builder as well as a team builder, the latter effort having been the dominant one until recently. In order to further accomplish this strategy I must continue to set high personal standards informally in conversation, personal appearance, attitude, etc. Further, I must demonstrate a strong personal commitment to achieving the goals of our region. My staff needs to have a clearer understanding of their duties and responsibilities, they must understand that they have a chance to influence their performance goals and the standards that are set for their jobs. They must also understand that they may join with me in establishing the priorities of their various goals. Staff, in this context is assumed to be my immediate regional staff, as well as the branch administrator and other branch managers who are, or will be reporting to me.

My other strategies concern delivery systems. It is my personal commitment to continue to attempt to be innovative and creative in finding products and ways to bring them to the particular prospect/customer base within Region 2.

We have undertaken a complete re-evaluation of our Marketing strategy and are continuing to re-evaluate the de novo branching needs within the region and will, this year and next year, attempt to bring some specialized services in unique ways to some specialized branches whose markets would appear to have evaporated over the period of the past decade.

I recently attended the "Managing People for Bank Executives Course" given by the Citicorp in Florida. The thirty-nine management practices in the five topical areas of Getting Commitment to Goals and Standards, Coaching, Appraising Performance, Compensation and Rewarding and Managing a Staff for Continuity of Performance will be the "standards" for management performance in my region on an ongoing basis. I have covered these practices, together with the thought processes behind them with the members of my immediate staff and will do the same with my managers within the next 90 days.

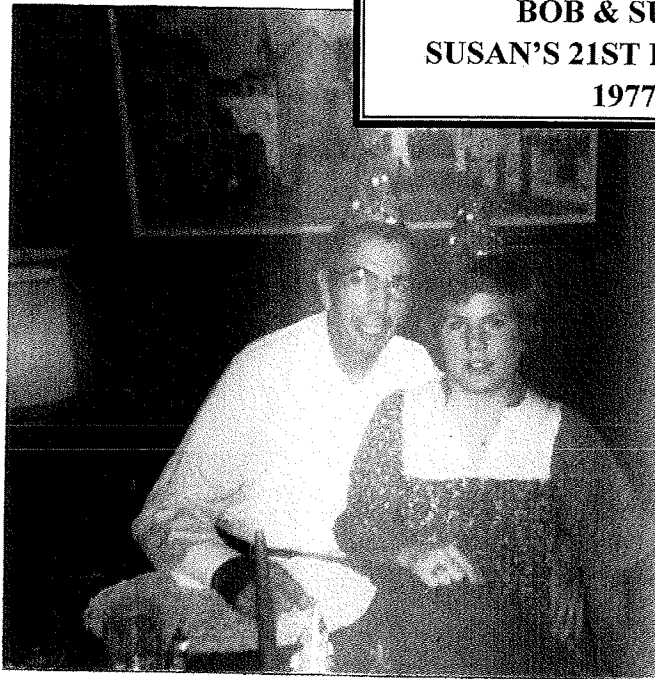
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NEW PLAYGROUND EQUIPMENT. Local Citrus Heights youngsters enjoy the new playground equipment provided through a donation by the employees of United California Bank's Citrus Heights office in celebration of the opening of the new branch. Observing the popularity of the new equipment in Tempo Park are, left to right,

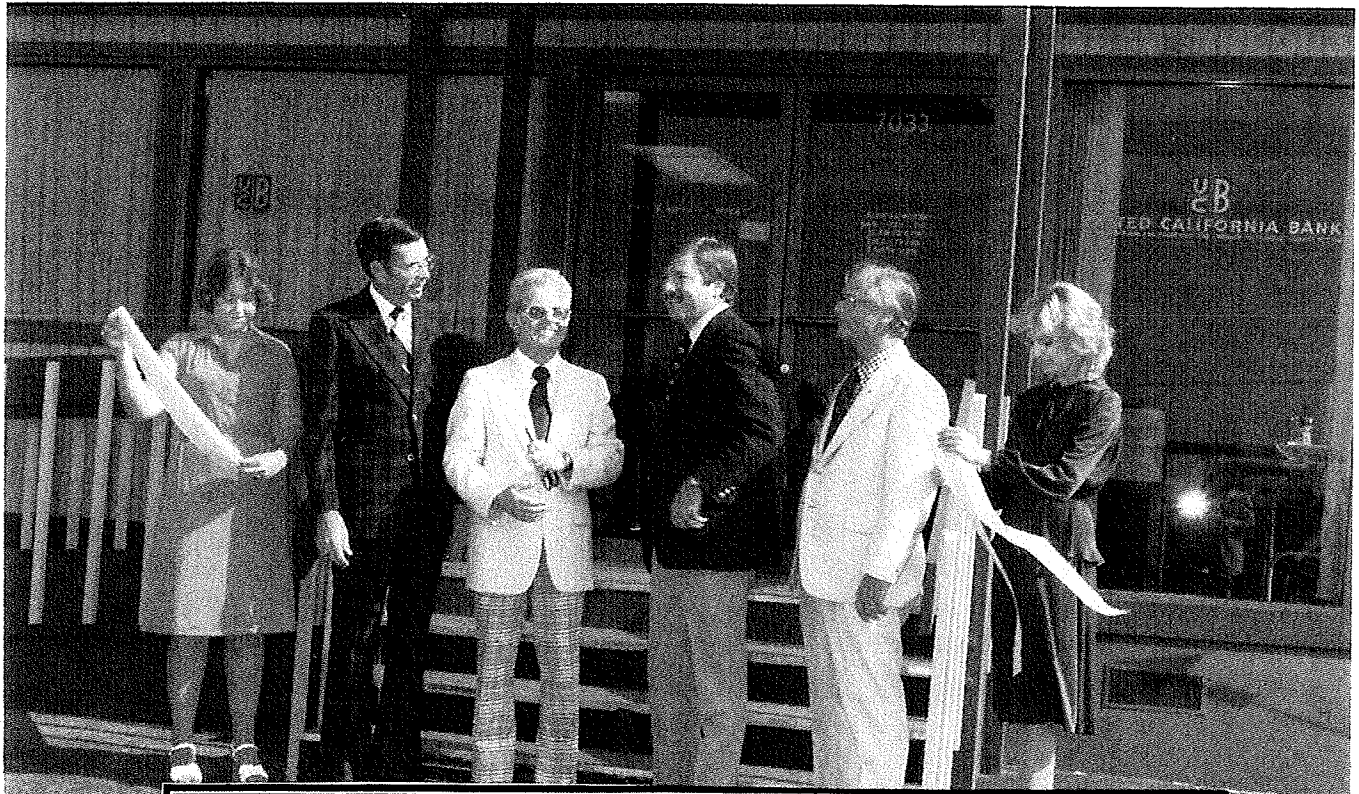
John S. Field, manager, of the local office; Robert C. Quigley, senior vice president and regional administrator, UCB; and Gene H. Ahner, district administrator for the Sunrise Recreation and Park District which operates Tempo Park. The UCB office is located at Sunrise Boulevard at Woodmore Oaks Drive.

**BOB & SUSAN
SUSAN'S 21ST BIRTHDAY
1977**





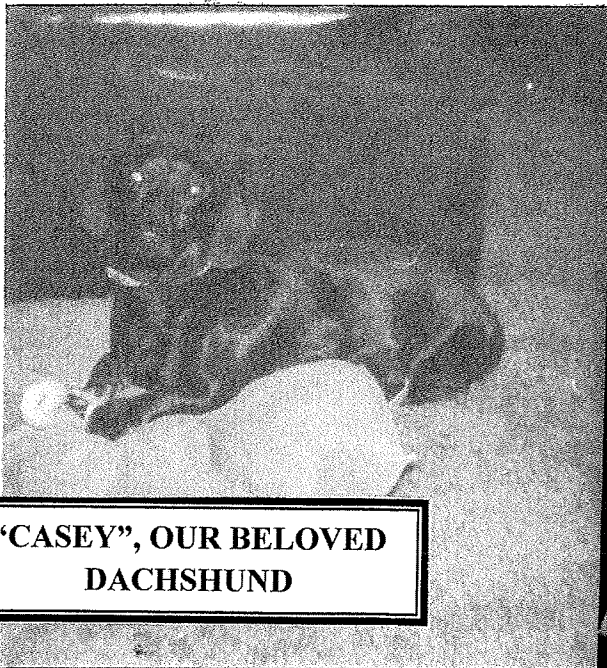
**CENTER PLAYER ~ JIM COLBERT (WHO WENT ON TO A CAREER IN THE
PGA & STILL PLAYS IN THE SENIOR TOUR)
BOB QUIGLEY (SECOND FROM LEFT)**



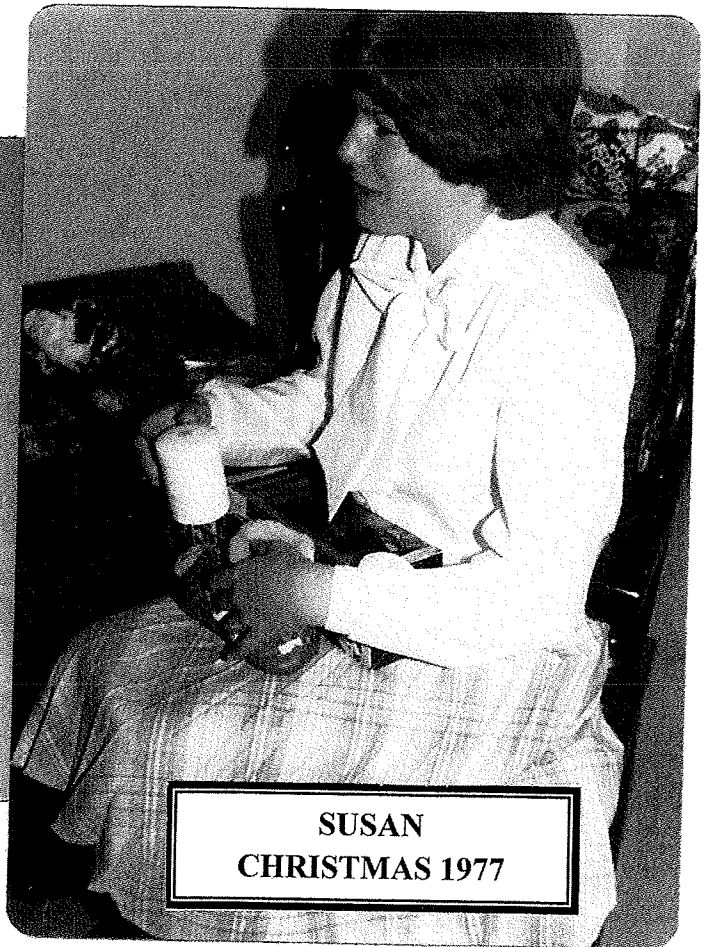
**1979 ~ OPENING A NEW BRANCH AT SUNRISE & WOODMORE
ROBERT C. QUIGLEY, REGIONAL ADMINISTRATOR (SECOND
FROM LEFT), BUCK BUCHENBERGER (THIRD FROM LEFT)**



**DOLLY AND "HEIDI"
CHRISTMAS 1979**



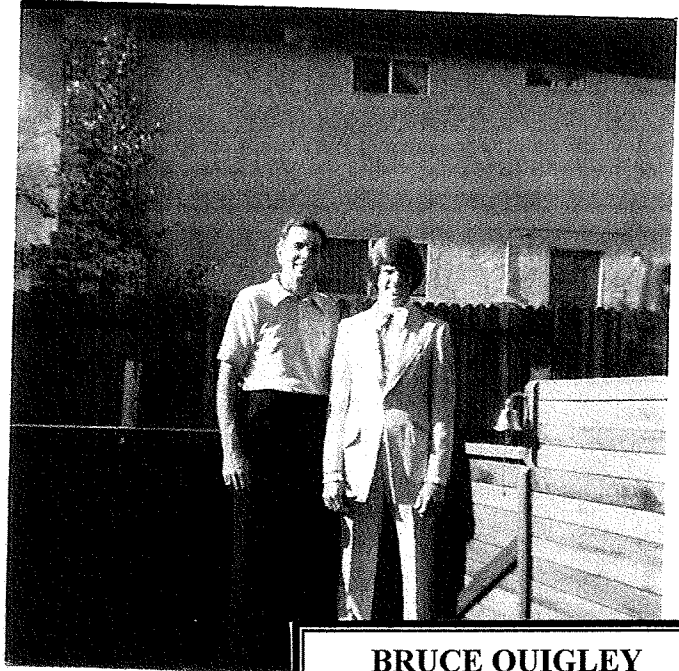
**"CASEY", OUR BELOVED
DACHSHUND**



**SUSAN
CHRISTMAS 1977**



**KEVIN QUIGLEY
ARMY 1979**



**BRUCE QUIGLEY
SENIOR PROM
MAY 1978**



**BRUCE & KEVIN
18TH BIRTHDAY
OCTOBER 1977**

CHAPTER TWENTY-ONE
My Banking Career
First National Bank of Arizona
(Phoenix, AZ 1980-1981)

In truth I knew but little of Western Bancorp, since my day-to-day involvements were in the California Banking Group of the wholly-owned affiliate, United California Bank.

This truly was my opportunity to commence upward mobility within the holding company. At the same time it was a lot like 1960, i.e. going from the known comfort of UCB to the unknown of First National Bank of Arizona; but then this was what Dolly and I were after... i.e. upward mobility.

The First National Bank of Arizona was now a statewide system which had recently acquired by merger the Southern Arizona Bank in Tucson, Arizona with its 27 branches and thereby becoming a statewide organization of 145 branches. First National had originated during Arizona's Territorial Days in Prescott, Az. Sherman Hazeltine was chairman as its headquarters relocated to Phoenix as it became part of Western Bancorp in the late 1950's. Its branch system was divided into four regional divisions: North, South, Phoenix and Tucson. Each division was administered by a Vice President with an Asst VP second in command and a support staff in operations. The four divisions were handled by Branch Office Administration (BOA) in Phoenix with its support staff in consumer lending and operations. Commercial and real estate credit were separately handled out of Bankwide Credit Administration, although the head of BOA had a \$7 million secured credit authority... I always thought this was extreme overkill, e.g. I had an administrator's \$500,000 limit in California and it was constantly used; but the \$7 million was rarely utilized in Arizona.

Ed Carson was currently both Chairman & President & CEO of First National Bank. Sherman Hazeltine was chairman emeritus. Bob Duckworth was Executive Vice President (EVP) and in charge of lending. Bill Randell (Senior Vice President) was responsible for Finance. Harry Johnston (EVP) was in charge of BOA, Operations/EDP, Charge Card and Marketing. Bruce Cooseboom (SVP) headed Human Resources and another (SVP) was in charge of the Trust Department.

Harry Johnston as head of BOA had reported directly to Ed Carson prior to about 1978. At that time he was sent to the Western Bancorporation in Los Angeles to establish a system-wide Electronic Data Processing Company to serve Western Bancorp's 23 banks in the 11 western states. Bobby Pennington from the old Southern Arizona Bank assumed the job of BOA head in Phoenix as Harry took on the Los Angeles responsibilities.

I remember sometime in 1979 attending a California statewide administrators meeting for UCB in Los Angeles. There I met Harry Johnston. I was impressed with his service approach and little dreamed that our paths would cross the following year in Phoenix, Arizona.

Harry Johnston's job was finished in L.A. by early 1980. He returned to Phoenix and at the time had about five years to go to the retirement age of 65. Bobby Pennington didn't work out as head of BOA, so Ed Carson asked Harry to move back in as head of BOA and also reassume responsibility for bankwide operations, consumer credit and marketing. Harry put Pennington in charge of the eighteen branches in the Tucson Division.

Diane Franks asked me to consider taking the branch administration (BOA) job at the First National Bank of Arizona with the thought of ultimately assuming the presidency there or in another Western Bancorp affiliate. My assignment was to report to Harry for one year and after that orientation to report directly to Ed Carson. First National was about a billion dollar (assets) bank; third largest of Arizona's thirty banks. I was to be evaluated as a future replacement for Carson.

I had to resign in California from United California Bank in order to be hired by First National Bank. Its Board of Directors then elected me as a Senior Vice President of their bank with the prospect of later becoming an Executive Vice President (EVP). My long range retirement and health benefits remained as always with the holding company, Western Bancorp, in Los Angeles, California.

I thought my first interview visit with Ed Carson went well. Ed was a lifelong Arizonian and a graduate of Arizona State University. He had worked his way up through the bank and had been CEO for about seven years. He maintained extreme pride in the exemplary operating performance of his bank and he firmly believed in promoting from within... I was to be a trial balloon coming in from the outside at a higher level (with new ideas) and I would feel this resentment build within senior management as my tenure unfolded.

The executive floor was a beautiful open circle on the third level of the building with the executive heads in private offices with their secretaries spaced in front of the offices and open to the public. Harry Johnston had one of these offices. While Harry was gone Bobby Pennington became BOA and used Harry's office. He reported directly to Ed Carson.

Sounds like musical chairs, doesn't it? Actually, Harry presented my assignment as a one year of orientation and then actually become head of BOA. During that year I was to report directly to Harry and spend most of my time in the field with our 145 branches. I was also to design a reorganization plan for managing the branches... Shades of my

recent experience in Region II in California! At the end of the year I believe Ed Carson had visions of his moving on to the holding company in California and Harry Johnston taking Ed's place as president until Harry retired in about 1984. By then I would be deemed ready to assume the CEO position.

Dolly and I flew from Sacramento to Los Angeles in late September to attend a UCB senior officer going away party for us. Norm Barker, chairman of the holding company, John Van der Zee and many more friends from senior management were there. They presented us with a beautiful engraved Steuben Glass Bowl encribed "UCB 1960-1980". This lovely reminder is still displayed in my living room. We flew back to Sacramento with many shared memories and in honesty somewhat heavy hearts.

I then flew to Phoenix to assume my new responsibilities. The bank berthed me at a great suite motel in Scottsdale and provided me with a bank car.

Dolly and I purchased a delightful new two level condominium in a small walled enclave just on the north edge of downtown Phoenix. We were now in the \$133,000 real estate range and my salary was about \$80,000 plus annual bonus, car and membership in the prestigious Phoenix Country Club... Don't forget that these are much smaller 1980 dollars we're talking about, but inflation was double digits and the extreme top of the tax scale was 70% and I believe 45% for our tax bracket.

Harry Johnston and I were able to work well together. Our one problem was his apparent indifference to the reality of office politics and perceptions. The three divisional administrators in BOA outside of Tucson were domiciled with their staffs in an older officer building across the street from the main bank headquarters. Access was gained by a covered walkway bridge on one of the upper floors. My office was in this older building in a corner of the open floor. I could see that my hierarchical position in the bank was perceived by my direct reports as poor compared with my predecessor's placement on the executive floor for his tenure as head of BOA. This coupled with my reporting to Harry instead of Ed Carson, where BOA had previously reported. My secretary Iris Johnson had followed Bobby Pennington from Tucson to Phoenix and she and her family had actually relocated to this area. She was a wonderful person and helped me to fit into this very provincial environment.

The period October thru Christmas was spent becoming personally acquainted with the branches statewide, their personnel and meeting some of our larger customers. The gameplan was to have me weekly in the field Monday thru Thursday with the appropriate Divisional Vice President and Friday would be spent in Phoenix with Iris (paperwork) and a lengthy afternoon reporting session with Harry Johnston.

My first divisional contact was Bill Page, V.P.. Bill supervised about 25 branches in the White Mountains to the east of Phoenix and also the territory encompassing extreme southern and southeastern Arizona. Bill was in his early sixties and a rugged individualist. His assistant, John Hemmings was in his early 40's and had come up thru branch operations. The fall of the year in the mountains with yellowing aspen trees and some early snow was just beautiful. We visited some quaint areas of the old wild west; especially Tombstone, Nogales and Yuma in southern Arizona. The gameplan was to thoroughly visit and spend time at about seven to eight branches per week and finish our regional visit with bi-weekly cocktail session/dinners in the field with the branch officers and spouses in groups of 7-8 branches. My branch visits with Bill would include Dolly for the dinners, as she was otherwise busy arranging our move from Sacramento to Phoenix. We had left Bruce our son behind in California boarding at Sacramento State and Dolly and I were now truly empty nesters.

My second group of branches was east Phoenix (Scottsdale, Mesa, Gilbert) and areas north thru Flagstaff, Sedona, Payson and Williams. The administrator here was Mark Denunzio. Dolly now traveled with me Monday thru Thursday, as did our schnauzer, Heidi... Mark was an excellent host, although his rabid ambition was somewhat difficult for an outsider to handle. Not nearly as loyal and supportive as Bill Page. Although, Bill, in truth was considered by Ed Carson and others to be somewhat outside the mould of a company man... Dolly memorized the backgrounds of spouses in attendance at our bi-weekly management signoff banquets. What an absolute hit! Imagine tagging along in a receiving line with your female operations manager wife and to have the boss's wife call you by name and mention that you worked for the XYZ Company. Knocked them dead!

Our third division was Tucson under Bobby Pennington, the former BOA. Bobby was about my age and born and raised near Lubbock, Texas. He was an avid golfer and his bank golf membership was at the Tucson Country Club. I truly enjoyed working with Bobby and experienced no lingering problem with the fact that I had replaced him as BOA.

The 18 Tucson branches were the former Southern Arizona Bank. We spent extra time in Tucson before and after Christmas. Dolly and I discovered The Arizona Inn, a bank customer and former resort for the rich and the Los Angeles movie colony in the 1920's, 30's and 40's. We had a separate cottage each week and dined by assigned table in a quaint dining room after cocktails in the private piano lounge. Heidi, our precious dog, was listed on the registry and when checking out we were always asked whether or not Miss Heidi enjoyed her stay. Of course she did!

The last division was Phoenix and its immediate northern and western suburbs. Joe Bacchus, VP was the division manager and one of the bank's few black executives at the time. Outside of downtown Phoenix most of Joe's territory was minority, either black or Spanish. These were interesting branches for me as I had been the divisional manager in black south central Los Angeles California just after the Watts Riots of the late 1960's.

While enduring this field orientation I had many social commitments in Phoenix; some of which involved Ed Carson or other fellow officers. Ed used to watch me like a hawk. I think in retrospect that he was surprised how readily Dolly and I had been welcomed into his branch system. However, the real tests lay ahead.

One day I was invited to lunch in the executive dining room with Ed Carson, Karsten and Louise Solheim, our senior trust officer and Mark Denunzio. Solheim and his wife were big customers of the bank and we had the banking business of his PING GOLF CO. Karsten ended the luncheon requesting that I host him in the future for an afternoon golf outing at my club, the Phoenix Country Club. Karsten and I were both about 16 handicaps. I filled out a foursome and I had one of the most enjoyable golf outings of my life.

Christmas was honored by a Phoenix party and dinner dance for all officers of the bank. Dolly and I were in a long receiving line with Ed Carson and others. Remember, most of my branch personnel were originally called by name and occupation while dining in our field visits. Boy, did Dolly ever lean on me and whoever to recall names and faces as they edged towards us in the receiving line. They still loved her!

January 1981 unleashed one of the most torrid storms in Phoenix history. Most of the highway bridges went down over the Salt River in Phoenix and out in the western valley. Folks today (2011) in the Sun City area remember the access bridge on Bell Ave ending up in the river bed between Sun City and Sun City West. First National had branches in all of these areas and our access routes blossomed in length as we detoured throughout the west valley.

I spent the spring reorganizing the branch system for Harry Johnston. I cut the divisions from four to three namely, the state divided into a three cut pie. Tucson was a division with everything statewide east and west. The other two divisions were Phoenix west to the California border and north to Utah. Bacchus took Phoenix West. The last was Denunzio's division of Phoenix east to New Mexico and north to Utah.

Bill Page elected to take early retirement. Iris Johnson helped me to put together a slide presentation for the monthly bankwide senior management meeting. This was one of those special moments in life and I feel in retrospect that I performed at only about a "B" level, whereas my critical audience was expecting at least an "A+" performance from the

California hot shot. In spite of this resistance, the reorganization in place made sense and the branch system accepted the management changes.

About this time, i.e. early 1981, Joe Pinola took over as Chairman of our holding company in Los Angeles, and Norm Barker retired. George Rothell from Bank of America was promoted to the presidency of United California Bank. Joe was chafing at the bit to show B of A that they made a mistake by not making him president of that organization.

Pinola convinced the Western Bancorp Board of Directors to position itself for regional, and then hopefully nationwide branch banking. First, a bit of diversion to explain the banking and economic climate of the early 1980's. Our industry of commercial banking had been severely restricted by regulations since the bank failures of the late 1920's and early 1930's, when one out of every five U.S. banks failed. The Banking Act of 1933 forbade the payment of interest on checking accounts and restricted the amount of interest that could be paid on savings accounts.

Our industry gradually recovered during the 1930's and thru the WWII era to 1945. Existing banks prospered in the immediate postwar era, but new charters were severely restricted, partially due to the incorrect perception that the banking failures of the 1930's was due to "over-banking".

In 1961 banks introduced the "negotiable certificate of deposit". This in response to investment houses being authorized to create depository instruments with interest rates higher than bank regular savings. Now businesses and consumers shifted their funds to interest-bearing accounts. Checking account (demand deposit) balances declined from 75% of total bank assets in 1945 to 26% by 1980. The genie was out of the bottle never to return and our industry was in an upheaval chasing ever slimming margins between loan income and deposit expense.

The deregulation of interest on savings and time deposits began at year-end 1980 with the passage of the Depository Institutions Deregulation and Monetary Control Act. This act also increased FDIC deposit insurance from \$40,000 to \$100,000 per account...!

On the loan side the commercial banking industry was to change forever from the simple process of flat rate and short term loans characteristic of the pre-WWII era. Industrial credit had dominated bank lending throughout the 1960's and into the 1970's. Residential Mortgage lending blossomed when in 1963 Congress allowed national chartered banks to offer terms similar to those offered by savings and loan associations. Retail lending blossomed with the advent of the Visa (1966) and Master Charge (1967), later named MasterCard, charge cards and the purchase of amortizing dealer paper from automobile and appliance dealers.

However, the adverse economics of the 1970's and 1980's was to again negatively impact the banking industry. Bank loans to foreigners increased from 1% of total assets to 17% 1945 to 1975. These were swelled by the oil industry price spikes and resulting inflation. Sizeable amounts of these loans were to less developed countries (LDC Loans) as this amount reached \$100 billion by 1980. Many of these debtors could not repay their loans resulting in huge bank charges off losses in the 1980's.

The banking industry had been funding long term loans with short term certificates of deposit (CD's). I would witness the ultimate carnage during the 1980's, while in Hobbs, N.M. However, I'm getting ahead of myself.

I would like to share two more remembrances of my short term stay in Phoenix (1980-81). First, Bill Randle was our bank's Chief Financial Officer (CFO). This position as such was new to the industry and many accounting trained individuals were pursuing this career path to the presidency of their particular bank. Bill was smart and had Ed Carson's ear. At the monthly senior management meetings I was beginning to hear the terms "Asset & Liability Management", "duration", "derivatives", "mismatch", etc... I was now unconsciously being exposed to the higher levels of financial management needed to successfully guide a bank in the unfolding volatile era of deregulation. I must admit that I didn't get a good lock on this subject area until my future bank in Hobbs, N.M. was in deep trouble in late 1986. Much more about this later.

We now had Individual Retirement accounts (IRA's). Dolly and I opened our first IRA in 1986. We were also in head-to-head competition with Savings & Loans Associations, credit unions and brokerage houses positioned to offer checking accounts for the first time and negotiable order of withdrawal (NOW accounts) and at higher permitted interest rates than commercial banks.

My second remembrance was our Holding Company's decision to change our name and the approach taken by First National Bank of Arizona. By now we were probably 155 branches statewide. Western Bancorp had 23 banks within the 11 western states with a grand total of maybe 800-1,000 branches. However, customers perceived us to be separate banks (different names). Joe Pinola selected the name "First Interstate Bank (FIB)". He announced that all 23 banks would change to the common name in June, 1981, creating the perception (untrue) that FIB was a single multi state bank.

Harry Johnston and our advertising agency created the conversion theme for us in Arizona of "Hank's Bank". Research revealed that we had no manager named "Hank", therefore, it was safe for us to temporarily become "Hank's Bank" instead of "The First National Bank of Arizona". All bank signage was immediately hidden with cloth covers emblazoned with "Hank's Bank". Huge billboards announced our conversion to "Hank's

Bank". Each manager and his or her staff wore badges which announced that "I belong to _____ Bank". The blank was the printed name of the manager, "Albert", "Mary", "Tom", "Bob" or whatever. We presented ourself as "Hank's Bank" for about ninety days. Arizona in 1981 was still a small state and Phoenix still pliable enough to enjoy this mystery and tease. We were on T.V., radio and regularly the subject of inquiry in the newspaper as to "Hank's Bank? What's it all about?". I have never before or since had so much fun with a marketing project. June 21, 1981 was the day of revelation. My goodness, "Hank's Bank" is really "First Interstate"! The latter with its new brown and orange color theme.

I made some personnel contacts in Arizona which were to assist me in times to come. Don Dougherty was a personnel consultant (employee motivation) to First National Bank. He and I hit it off and I was to later use him in Hobbs, N.M. and Sacramento, Ca.. I attended the American Bankers' Association's 1980 convention in Phoenix and met Jerry and Jeanie Turk. They as consultants were marketing a cross-selling system for the new accounts position at a branch. At the time this was new to the industry. The Turk's lived in Atlanta, Ga and would be part of my future plans. Wayne Johnson was also from Atlanta. He was a graduate of Emory University and after a short jaunt with a small bank started his own consulting business... Integratec. Wayne was of near genius ability and very wired to the electronic and operations side of banking. He was in that advance guard of the computer revolution. Closer to home I met Gail Gonzales, a young bright member of the Human Resources Dept at First National Bank of Arizona, oops, First Interstate Bank of Arizona. This small nucleus was later to greatly assist me in my next stop at Hobbs, New Mexico.

Now that I have reduced this chapter to writing, it's hard to believe that my stay in beautiful Arizona was only to be for twelve months. I remember that when on one such late afternoon in October, 1981 I was waiting to attend a banking dinner function with Ed Carson and Harry Johnston. Instead I was summoned to Ed's office and in the company of Harry and there was told that the holding company had an immediate opening for President and CEO of our affiliate bank in Hobbs, New Mexico. Its president, Leon Harmon, had recently been transferred to assume the CEO position of our Utah affiliate in Salt Lake City and his second in command, John Gilkey was babysitting the Hobb's position pending his retirement at the end of the year. George Rothell and Diane Franks in Los Angeles had recommended me for the position as did Jerry Shott, Executive Vice President and Human Resources Director of First Interstate Bancorp.

Hobbs was a small town of 35,000 people in the extreme southeast corner of New Mexico. It was just four miles from the west Texas border. The bank served four towns in Lea County. Banking in New Mexico at the time was limited to countywide branching

within the state. First Interstate Bancorp had five individual banks within five counties of New Mexico identified as Santa Fe, Albuquerque, Gallup, Roswell and Hobbs. The bank at Hobbs had deposit totals of \$175 million and was as measured by return on assets and equity the best performing bank of the 23 bank first Interstate chain.

I was taken completely by surprise. Remember back with me to 1962 when I suddenly and unexpectedly learned of the managership opening in Crescent City, Ca.. Some bright person once said “Opportunity knocks only once”, yet here it was happening again to the Quigleys.

In truth my relationships in Arizona were fine, yet I was still reporting to Harry Johnston and Ed Carson remained firmly entrenched in his position. I by now believed that Ed didn't see me as himself reborn, so maybe this really was an “opportunity”.

George Rothell had become the President of First Interstate Bancorp. He wanted to visit with me personally. To this point we barely knew each other. He suggested that I fly to Los Angeles, California and then accompany him the same day on the company jet to attend the monthly board meeting of our affiliate bank in Boise, Idaho. This to give us a chance to become acquainted and to acquaint me with the order and ceremony of a bank's monthly Board of Directors meeting.

The flight schedule went as planned. George and I were to be the only two passengers on the plush Lear jet. The visit in Boise went off without a hitch. Man, this was really living! We returned the same day to Los Angeles and me then by commercial jet to Phoenix... all on the same day in time for a late dinner with Dolly. We had so much to share. I still knew very little about Hobbs and Lea County, New Mexico. So the next step was a visit to Hobbs by Dolly and myself. Actually, I was being shopped to the directors of First Interstate Bank of Lea County (FIBLC) in competition with a First Interstate of California Vice President. This gentleman, Mr. Rogers, was with the National Division and he and I were vague acquaintances. Rogers had been to Hobbs prior to our visit, so the board members could make comparisons.

Dolly and I flew from Phoenix to Albuquerque and then transferred to a small commuter airline for continuation to Hobbs. This commuter was a small twin piston engine job which was delayed in Albuquerque in order to fix a flat tire. Real feelings of reassurance! We arrived in Hobbs about 3:00P.M. and were met by Directors J.W. Neal, Bob Summers and Nolan Bronson. Three great guys and lifelong residents of southeastern New Mexico. They gave us a quick car circuit tour of Hobbs and a curbside visit of the three branches in that city. We were deposited at the Hobbs Motor Inn, which at that time was the prime business hostelry for this oil patch area. We were

to meet with the board members and their wives at the Hobbs County Club early that evening.

The evening was fantastic. Everyone loved Dolly and we were made to feel so at home. I do believe that most of those present initially had reservations about any Californian running their bank. After all, California was tinsel town... it's amazing how outsiders in the southwest sort of ignored all of the rest of that wonderful state... Don't forget this was 1981 and the Democratic Party still was king in the Texas, New Mexico and solid south political arena; although times were changing. We on the other hand had to very carefully negotiate the human nature minefield of labeling all that was different as "good old boy mentality".

The directors were delighted as to my professional background and areas of experience. I met privately with Summers, Neal and Bronson (their screening committee) at Summer's office the following afternoon. I had spent the morning meeting senior staff and touring branches. Don't forget that branches had been my field of involvement since 1960. I believe this was my edge over Rogers. This and Dolly!

Bob Summers, Publisher of the daily newspaper, Dailey News-Sun, was their lead spokesman. J.W. Neal was the bank's attorney and in private legal practice. Bronson was an independent oilman. We four hit it off just great. They had to get back to George Rothell and Jerry Shott in Los Angeles Headquarters for FIB Bancorp, but they offered me the position and Dolly and I accepted. My salary would be \$90,000 (1981 dollars), a Bancorp bonus plan plus the Holding Co.'s five year revolving bonus plan, a new Buick automobile and the purchase of our condominium in Phoenix. Phoenix was entering a real estate recession at this time. The bank purchased our condominium from us for \$132,500, then attempted to sell it for eleven months and finally succeeded doing so for \$112,000. The bank absorbed the \$20,500 loss plus the selling costs of \$10,700. We enjoyed this benefit.

All chief executives of Bancorp's Banks were audited yearly by outside CPA's and the annual tax returns paid for by the bank.

Dolly and I returned to Phoenix after one more evening in Hobbs. We almost didn't need the plane to make the flight. What a high!

So now dear reader we move on to the executive suite, albeit in small scope. As an aside, Mr. Rogers was to visit Hobbs about two years later pushing some program with the affiliate banks. It was interesting to size him up as he did me. I sensed that he would have loved to have been selected for Hobbs in 1981.

REPRISAL

This chapter marks my shift to senior executive status. Dolly and I made an orderly shift from California to Arizona. But, don't forget we by now were gypsy-like and made necessary shifts and changes in an orderly fashion.

We didn't let the insular culture of our Arizona affiliate defeat us and Ed Carson was astonished at how well we outsiders were accepted by the branch officer cadre and their families.

Although we were there for only one year we profited by absorbing the techniques being marshaled for the de-regulation of the commercial banking industry. What changes when compared with the restraints put in place during 1933 and the subsequent great depression. I became a real "agent of change", which would enable me to position two banks for survival during the post 1981 era.

We, in our early 50's were now "empty nesters". However, we would re-enter the family game in spades after moving to Hobbs. So, on to perhaps our greatest challenge... Chief

Quigley joins First staff

Robert C. Quigley has joined The First as senior vice president in charge of Branch Office Administration (BOA). He was formerly regional administrator with United California Bank.



Robert Quigley

In his new post, Quigley is responsible for the bank's four BOA divisions which supervise operations at 145 branch offices throughout the state.

Quigley comes to The First with 23 years of experience in the financial field. He began his career in banking in 1957 as a divisional assistant with Northern Trust Co. in Chicago and moved to United California Bank in 1960. In addition to regional administrator, Quigley's other positions with UCB include assistant manager, branch manager, credit administrator and regional manager. He was named vice president with UCB in 1965 and senior vice president there in 1976.

A New York native, Quigley attended Fordham University in New York City for two years before studying at New York University where he received a bachelor of arts degree in 1951. He received a master's degree in business administration in 1957 from Stanford University.

ARTICLE FROM "BANKER MAGAZINE", NOVEMBER 1980

Johnston, Harry D. AZ REPUBLIC 11-5-09



Harry D. Johnston, age 87, passed away on Wednesday, October 28, 2009. Harry was born on July 14, 1922 in Los Angeles, California and from his early years he lived, ate and slept "baseball". His goal was to become a professional baseball player. During his high school years he played semi-pro ball throughout the state of California with RKO Studios, The Yankee Juniors, The May Company and other teams. He was a left-handed pitcher and therefore earned the nickname of "Lefty". Harry reached his goal of "professional baseball player" in 1942 when he signed a contract with the Portland Ball Club which was part of the Pacific Coast League. At the end of the 1942 season he was drafted into the World War II Armed Services. He was a pilot in the Air Force and served overseas in the 8th Air Force in England at which time he received the Distinguished Flying Cross along with other honors. He was honorably discharged in 1945. In 1946 Harry signed a contract with the Oakland Ball Club. Unfortunately, that year he hurt his pitching arm which ended his pitching career. In that year, however, he married his loving wife of 63 years, Maxine. Harry moved to Phoenix, Arizona in 1950 and joined the First National Bank of Arizona in 1951. He served as President of the Arizona Bankers Association and was on numerous Boards including the Phoenix Art Museum. After a distinguished career in banking, Harry retired in 1983 as President of First Interstate Bank, but remained on the Board of Directors of the Bank until 1991. His love for sports, especially baseball, never stopped—he only changed from a "participator" to a "spectator". After retirement, he became an avid golfer, baseball watcher, reader and history buff. Harry was always a loving, caring husband, father, grandfather and friend. He never failed to help in any way possible anyone (family or friend) in need of counseling, advise or encouragement. He was truly an exceptionally intelligent and sharing individual. The world will seem emptier without Harry in it. Harry is survived by his loving wife of 63 years, Maxine, his daughter Linda, his son, Gary Johnston, his three grandchildren, Jina, Kyle, and Leanna and his cousin Margie Dew. He was dearly loved and will be greatly missed. A memorial service will be held on Saturday, November 7, 2009 at 11:00AM at Green Acres Chapel of Light, 401 N. Hayden Road, Scottsdale, Arizona. In lieu of flowers, a donation can be made to the American Cancer Society or the Arizona Humane Society.



ARIZONA REPUBLIC 3-15-10

Carson, Edward Mansfield

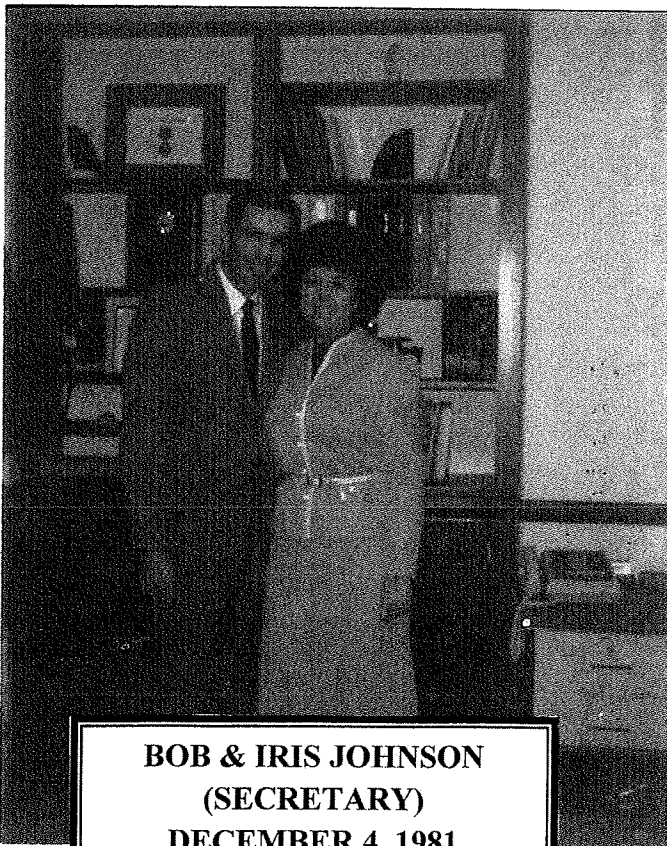
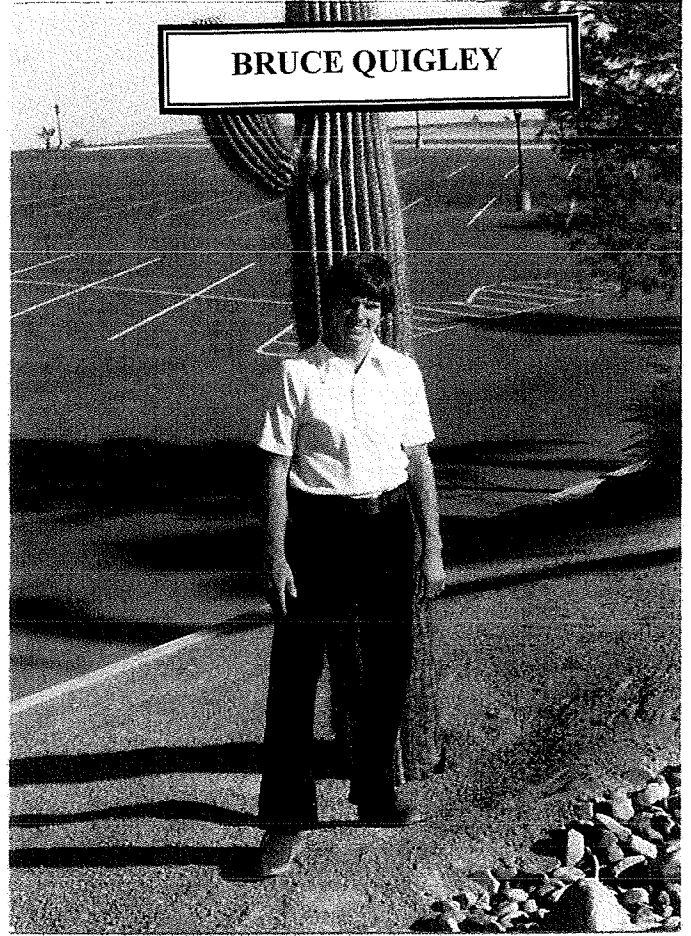


November 6, 1929 - March 12, 2010. Ed was a treasured Father, Grandfather, Brother & friend to all. He was born in Tucson, Arizona then moved to Peoria, AZ where he attended Peoria High School. He attended his beloved ASU and was President of the student body. He went on to earn his Masters Degree in Banking from the Stonier Graduate school of Banking. Ed started his illustrious career with then First National Bank as their first trainee beginning as a teller in 1951. In 1973 he was promoted to COO & Director then elected President & CEO in 1977. In 1985 he was elected President of First Interstate Bancorp in Los Angeles and Chairman & CEO in 1990. Ed's record of service to both Phoenix & Los Angeles was extraordinary. He served on many local & national boards including Los Angeles Chamber of Commerce, Astry National Center, Music Center of Los Angeles, Phoenix Art Museum, Phoenix Symphony, Schuff Steel, Automobile Club of Southern California, Claremont School of Theology, YMCA and was a Phoenix Thunderbird. The Carson name was synonymous with philanthropy. He was extremely generous in both Phoenix & Los Angeles. Among his many honors are NAACP Image Award, Boy Scouts of America Silver Beaver & Good Scout awards, Distinguished Citizen award from The Rotary Club of LA, Distinguished Alumni Award ASU & Stonier Graduate School, Emmett Award 100 Club, Albert Schweitzer Leadership Award, SALLY Award Salvation Army, USC School of Music Dickens Medal of Honor, Children's Burn Foundation "Giving New Hope" Award, AZ Board of Regents "Outstanding Service to Higher Education" Award, Music Center of LA County, Heritage Award & Doctor of Humane Letters from ASU. There wasn't a finer, more generous, kind and beloved man. Married to the love of his life, Nadine, for 54 years until her death in 2007. Courageous to the end, always thinking of others he died peacefully in his home in Beverly Hills with his children by his side. Ed is preceded in death by his wife Nadine and survived by his daughter Dawn (Erston), son Tod, Grandchildren Katie & Eddie, Sisters Erline (Herb) and Lucille and long time friend and companion Molly Campbell. At Ed's request, in lieu of flowers donations may be made to ASU Foundation, Edward Carson Leadership Scholarship, PO Box 2260, Tempe AZ 85280-2260. Services will be held at The First United Methodist Church at Central & Missouri on Friday, March 19th at 10:30am with reception to follow at Paradise Valley Country Club.

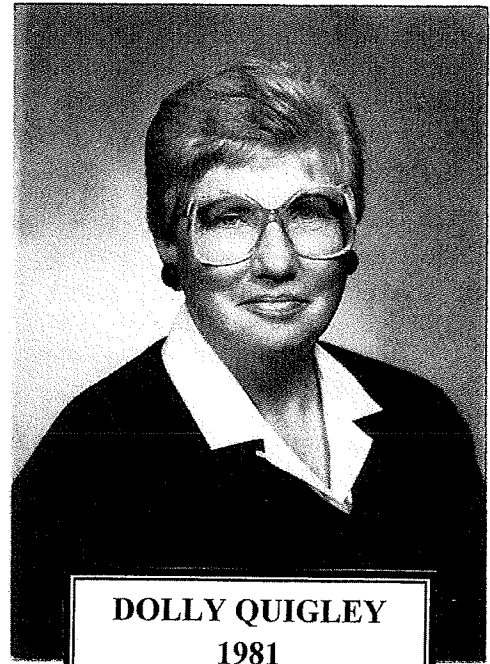
**DOLLY, (UN-NAMED FRIEND),
BRUCE**



BRUCE QUIGLEY



**BOB & IRIS JOHNSON
(SECRETARY)
DECEMBER 4, 1981**



**DOLLY QUIGLEY
1981**

O B I T U A R Y

Karsten Solheim

1911 - 2000

IF YOU PLAY GOLF, your life has almost certainly been affected by Karsten Solheim, who died on February 16 at age 88. The founder of Karsten Manufacturing Corporation, he was best known for inventing Ping clubs.

In the 1960s and '70s, Solheim pioneered new designs for golf clubs. Tinkering in his garage, he built a putter with the weight concentrated in the heel and toe and a thin face that made a distinctive "ping" sound when striking the ball. A few years later, he developed irons with the weight around the perimeter of the clubhead; today, perimeter-weighted irons are the game's best-sellers.

"He paved the way for all of us," said Ely Callaway of Callaway Golf. "He designed the first clubs that varied from conventional design. He changed it all, and we give him a lot of credit for that."

"Perhaps no individual has had as profound an impact on the golf industry as Karsten Solheim," said Ken Lindsay, honorary president of the PGA of America.

As a boy, Solheim moved with his parents from Norway to Seattle. He dreamed of being an aeronautical engineer, and World War II gave him the chance. He worked on early jets and rockets.

After the war, at General Electric, he worked first in radar, then on the portable television, designing the rabbit-ear antenna. It was while at GE in Ithaca, New York, that he first played golf at age 42.

Transferred back to the West Coast, Solheim had more time to play golf and begin tinkering. The first Ping putter was built in his Redwood City, California, garage in 1959. He tried to interest local pros in his creation, but acceptance was slow. In 1961, he left GE and struck out on his own.

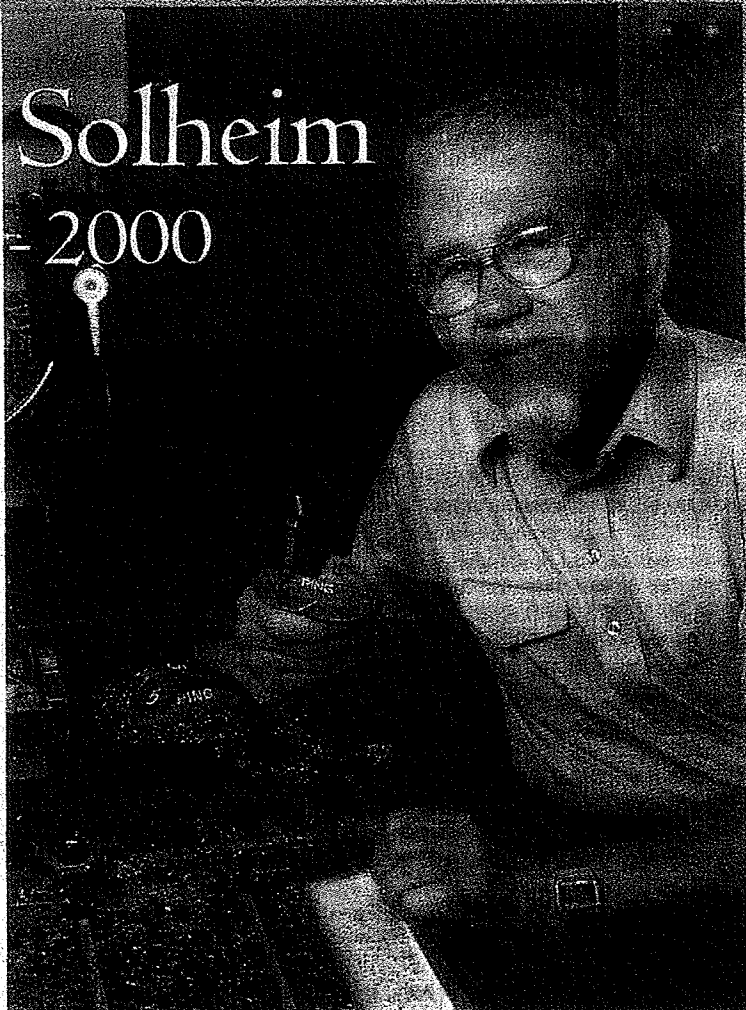
His first success was the Anser putter, which debuted in 1966. In 1967, Julius Boros won the Phoenix Open with a Ping putter; they have notched more than 1,800 professional victories since.

In the '70s, Solheim revolution-

ized iron design with perimeter-weighting, and Ping Eye2 irons became the best-sellers in golf history. His use of square-shaped grooves led to a lawsuit with the USGA—settled out of court in 1990—and threats from the PGA Tour. But square grooves remain legal.

Under Solheim's leadership, his company became a leading sponsor of LPGA events. In 1990, he founded The Solheim Cup, the biennial matches between women pros from the U.S. and Europe.

He retired in 1995, turning the reins over to his son, John.



**KARSTEN SOLHEIM
INVENTOR OF PING GOLF
CLUBS**